

THE INFLUENCE OF ETHNOCENTRISM, BRAND IMAGE, AND LIFESTYLE ON PURCHASE DECISION BATIK ONLINE IN THE CITY OF MEDAN

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Abstract

This research discusses the influence of ethnocentrism, brand image and lifestyle on purchasing decisions. The method used in this research is descriptive with a quantitative approach. The population in this study were all batik consumers in *shopee* Medan, while the sampling method uses a formula *Cochran*, so that a sample of 96 people was obtained. The data collection method uses a questionnaire. The data analysis technique uses the Path Analysis Statistical Model, namely the Partial Least Square-Structural Equation Model (PLS-SEM) using the SmarPLS4 application. The research results found that the ethnocentric variable had a positive and significant effect on purchasing decisions, the brand image variable partially did not have a positive and significant effect on purchasing decisions, the brand image variable partially did not have a positive and significant effect on purchasing decisions, the lifestyle variable partially had a positive and significant effect on online batik purchasing decisions in Medan City. The magnitude of the influence of the ethnocentrism, brand image and lifestyle variables on online purchasing decisions is 20.9% in the weak category and can be interpreted as the influence of the independent variables on the dependent variable being low.

Keywords: *Ethnocentrism, brand image, lifestyle, online purchase decision, batik*

A. INTRODUCTION

The development of globalization is now entering the era of creative economic industries. In the future, industry will emphasize creative ideas and ideas in economic activities. The movement of the creative cultural sector in Indonesia is nothing new, this can be seen in the development of batik as a creative component which continues to increase (Supriyono, 2016). Indonesian culture prioritizes creative arts, one of which is batik. This batik culture has been passed down from generation to generation by ancestors and has very high artistic value (Trixie et al., 2020). Globalization and the current era of free trade are characterized by the increasing expansion of various products and services, which causes business competition

which is getting tighter. This is demonstrated by the entry of imported products into the Indonesian market as a result of Indonesia's agreement and signing of the Asean-

China Free Trade Area (Nulufi & Murwartiningsih, 2015). One way for foreign products to enter is through *marketplace*. Due to the tendency people to buy and sell online, it becomes easier to shop from home (Yoni et al., 2023). One of *marketplace* The most popular one used by people in Indonesia is Shopee.

It is hoped that Indonesia can preserve and increase the use of domestic and international batik (Fauzi & Asri, 2020). One way to promote Indonesian batik is to market it through *marketplace* shopee other than by exporting it. Although, Shopee was founded in

2015, it was unable to rank I in *App Store* and *Playstore* with a total visit of almost 31 million Indonesian users every month. Therefore, Shopee is the largest online store in Indonesia with services *e-commerce* which is good (Saragih, 2019). Batik sales via *marketplace* is a marketing strategy to increase income. This is due to the fact that customers can more easily see the latest batik products being sold using Shopee's marketing strategy. This digital marketing strategy can attract resellers and dropshippers to market batik (Adinugraha et al., 2021).

The buyer's decision to buy goods or services begins with people's desire to buy, which is influenced by various factors, one of which is ethnocentric (Kurnia et al., 2024). The habit of each group to consider its group's culture to be better than other cultures is called ethnocentrism, even though in reality not all group members behave ethnocentrically (Sihabuddin & Lilik, 2022).

Apart from ethnocentrism, brand image is one of the determining factors in consumer purchasing decisions. Brand image has a big impact on influencing consumers in making purchasing decisions (Sundana et al., 2023). The Batik Semar brand has long been known in the people of Medan City because of its good batik products and its own philosophy. However, the high price of the product makes it unaffordable for many people, especially those in the middle class.

Lifestyle is also one of the factors that determines consumers in making purchasing decisions. Everyone has the need to appear in clothes that are attractive and in accordance with current trends in order to be accepted in their social environment, so their lifestyle can influence purchasing decisions and have a positive impact (Angkola et al., 2023). Lifestyle serves to motivate consumers and provides prior learning, social status, and demographics. To explain lifestyle, you can look at how an individual lives and express his life values as fulfilling life's needs (Fitriani et al., 2022).

Based on several things explained above, the researcher is interested in research with the title "**The Influence of Ethnocentrism, Brand Image and Lifestyle on Online Batik Purchasing Decisions in the City of Medan**".

B. Literature Review

Understanding Ethnocentrism

Ethnocentrism is the habit of each group to consider its group's culture to be better than other cultures (Sihabuddin & Lilik, 2022). Consumer ethnocentrism is a person's belief that domestic products are the best compared to non-local products and tends to use domestic products (Jannah et al., 2024). Indicators of ethnocentrism according to (Sihabuddin & Lilik, 2022) are (1) preferences, (2) prioritizing local products, (3) imported products have negative impacts.

Understanding Brand Image

Brand image is the perception and impression a person has of a brand as a whole, even if they are not directly exposed to the brand. Brand image is one of the

factors for consumers in making decisions to consume a product and even increases loyalty to that product (Bancin, 2021). Brand image has the following indicators: (1) recognition, (2) reputation, (3) attractiveness, and (4) loyalty (Tasari et al., 2024).

Understanding Lifestyle

The lifestyle describes the overall integration with the environment. Lifestyle is formed at the age of 3-5 years. Lifestyle is a principle used to fulfill individual behavior. So, each individual behavior brings its own lifestyle (Setijani et al., 2019). Lifestyle

has the following indicators: (1) Activities, (2) interests, and (3) opinions (Puranda & Madiawati, 2017).

Understanding Purchasing Decisions

Purchasing decisions are part of the consumer behavior component in consuming attitudes (Setijani et al., 2019). Purchasing decisions are consumer behavior that shows their desire to buy, use, evaluate and improve certain goods and services (Fauzi & Asri, 2020). Purchasing decisions have the following indicators: (1) stability of a product, (2) habits in purchasing products, and (3) providing recommendations to other people (Piercy et al., 2016).

C. METHOD

This research uses a survey method, where this method uses a questionnaire as a data collection tool. Questionnaires in this method are interpreted broadly, namely in the form of questionnaires in the form of questions, tests, attitude scales, assessment scales, interview guides, observation formats and so on (Djali, 2021). The approach used is a quantitative approach because this research is inferential in drawing conclusions based on the results of hypothesis testing carried out statistically using empirical data resulting from data collection through measurement (Djali, 2021). The type of survey research used is a survey using a questionnaire, where the researcher distributes the questionnaire directly to the target or respondents who have determined (Gainau, 2021). The nature of the research used is descriptive, meaning that this research describes, describes, explains or describes the data. This characteristic refers to the way of organizing data, presenting and analyzing data (Rahardja et al., n.d.).

Population is a generalization area consisting of objects that have certain characteristics determined by the researcher, while the sample is part of the total population (Gainau, 2021). The population in this research is all Batik consumers in Shopee, Medan City. The sample in this study was determined using a purposive sampling technique, the research area considered for selection. As for sampling with an unknown population, you can use a formula *Cochran*, (Sugiyono, 2017). Based on the calculation results above, it can be seen that the sample is 96.04. To make calculations easier, the decimals are rounded so that we can conclude that the sample is 96.

Data collection was carried out using a questionnaire with items containing indicators of research variables which were then distributed to the predetermined sample. The Likert scale is used to measure all indicators for each variable. This research uses an analytical approach

quantitative data processed using Partial Least Square (PLS). PLS is an effective analysis method because it is not based on many assumptions. The advantage of PLS is that it can be used to explain theory but also to determine whether or not a latent variable relationship exists; data does not need to have a multivariate normal distribution; and the sample size does not need to be large. This research uses a quantitative analysis approach which is processed using Partial Least Square (PLS). PLS is an effective analysis method because it is not based on many assumptions. The advantage of PLS is that it can be used to explain theory but also to determine whether or not a latent variable relationship exists; data do not need to have a multivariate normal distribution; and the sample size does not need to be large.

Measurement Model Testing (Outer Model)

Evaluation of the Measurement Model (Outer Model), also known as the outer relationship or measurement model, determines how each indicator relates to the latent variable. Validity testing using PLS can be done in two ways, namely convergent and discriminant. Comparison between variable and indicator values shows the convergent validity of the measurement model. Discriminant validity is tested by looking at the cross-loading for each variable which must be more than 0.7. An indicator is considered valid if the AVE is above 0.5 or the load value for all external dimensions of the variable is more than 0.5 (Narimawati, 2020).

One of the two methods available for assessing the reliability of a construct with reflexive indicators is Composite Reliability and Cronbach's Alpha. Composite Reliability is the accepted limit value for a composition reliability level (PC) that is greater than 0.7 (Narimawati, 2020).

The R-Square value is considered strong if it is more than 0.67, moderate if it is more than 0.33 but less than 0.67, and weak if it is more than 0.19 but less than 0.33. Variance analysis is a type of examination used to find out how much influence several variables have, in this case independent to dependent variables.

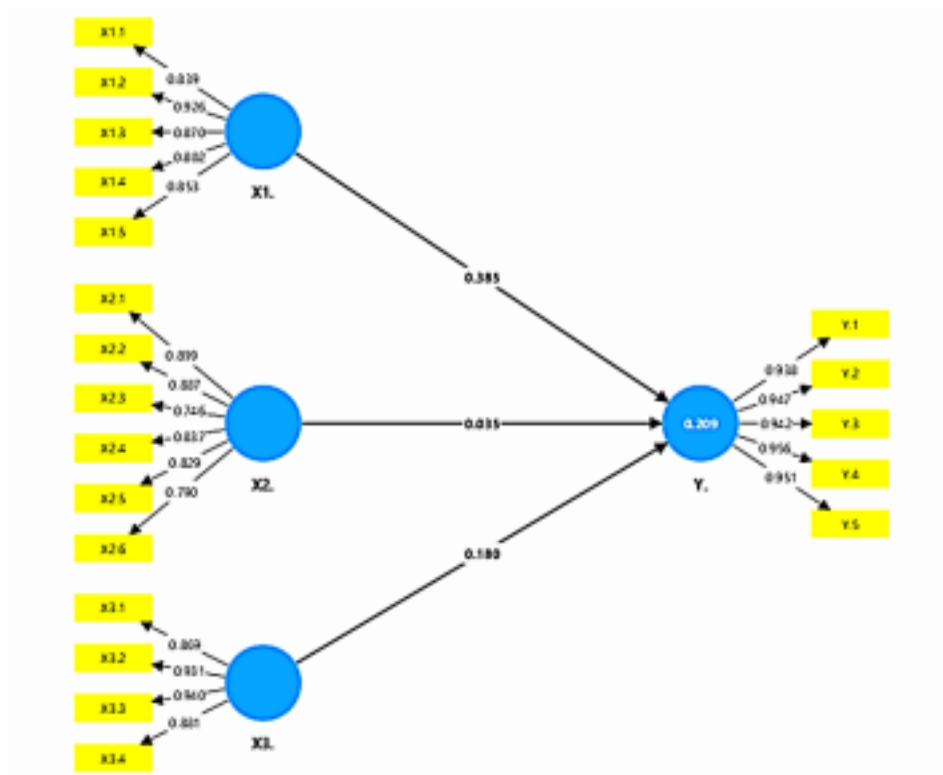
The test results in a model that includes r-rectangle parameter coefficients and t statistics are used to test the hypothesis. To find out whether the hypothesis is accepted or rejected, pay attention to measuring the path coefficient between constructs to determine significance and the t-statistic value. Road connection strength factor with values ranging between -1 and +1. This is because the strength of the relationship between the two constructs is greater when the value is closer to +1, and when the value is closer to -1 then the relationship is negative (Sarstedt et al., 2017). Results *bootstrapping* used in this research is t-statistics > t-table with a positive beta coefficient and a significance level of 0.05 or (5%).

D. RESULTS

Measurement Model Testing (Outer Model)

1. Validity Test

At this stage, the validity test is carried out by looking at the cross-loading for each variable which must be more than 0.7 and the AVE value must be above 0.5. The following will explain the test model.



Source: SmartPLS4 2024 Data Processing

Figure 1. Outer Loading Model and Values

Based on the picture above, the relationship between variables can be seen and it also shows the relationship between items in each variable. Below will be explained the value.

Table 1. Validity Test

	X1.	X2.	X3.	Y.
X1.1	0.839			
X1.2	0.926			
X1.3	0.870			
X1.4	0.802			
X1.5	0.853			
X2.1		0.899		
X2.2		0.887		
X2.3		0.746		
X2.4		0.837		
X2.5		0.829		
X2.6		0.790		
X3.1			0.869	
X3.2			0.931	
X3.3			0.940	
X3.4			0.881	
Y.1				0.938
Y.2				0.947
Y.3				0.942
Y.4				0.956
Y.5				0.951

Data source: SmartPLS4 2024 data processing

Based on table 1 you can see all the values *outer loading factor* > 0.7 and is also marked in green in the test results. This means that all items meet the requirements for testing and can be used as a data collection tool.

2. Reliability Test

At this stage testing was carried out with Composite Reliability and Cronbach's Alpha. Composite Reliability is the accepted limit value for a composition reliability level (PC) that is greater than 0.7. The analysis results will be presented in the table below:

Table 2. Reliability Test Results

	Cronbach's alpha	Composite reliability (rho_a)	Composite reliability (rho_c)	Average variance extracted (AVE)
X1.	0.913	0.969	0.934	0.738
X2.	0.941	0.823	0.931	0.694
X3.	0.927	0.933	0.948	0.820
Y.	0.971	0.971	0.977	0.896

Data source: SmartPLS4 2024 data processing

Table 2. above shows the reliability value of each variable in value *cronbach's alpha* > than 0.7, and then the AVE value > 0.5. This indicates that all items in each variable are declared reliable or consistent.

Variant Analysis (R2)

At this stage, the R-squer test is carried out which is useful for finding out how much influence the independent variable has on the dependent variable. The R2 criteria are:

- 0.67 is strong
- 0.50 moderate
- 0.25 weak

The test results will be presented in the table below: **Table 3. R-**

Squer

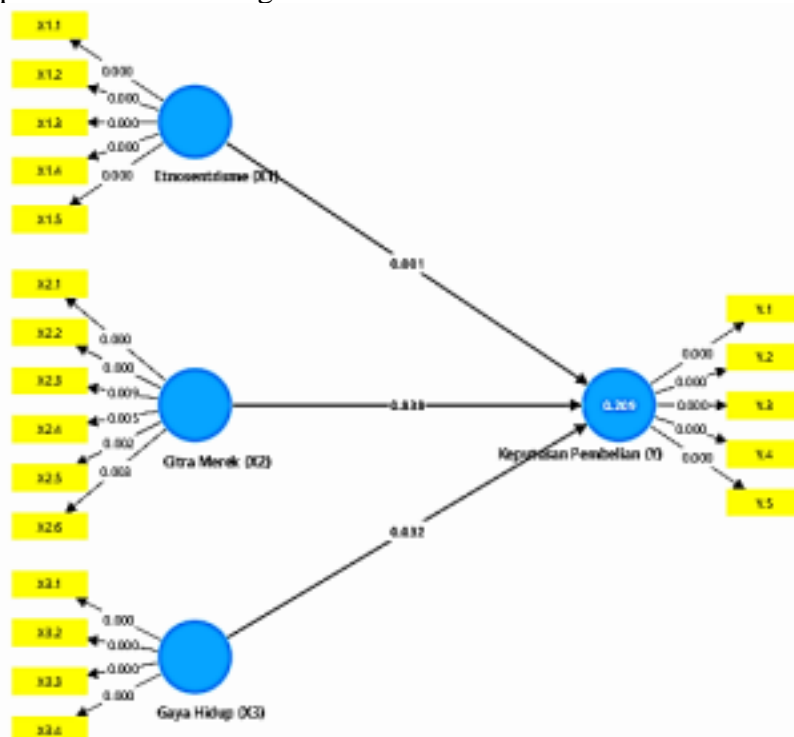
	R-square	R-square adjusted
Purchase Decision Y	0,209	0,183

Data source: SmartPLS4 2024 data processing

In table 3, it can be seen that the R-Square Y value (purchasing decisions) is 0.209, meaning that the influence of ethnocentrism, brand image and lifestyle on online purchasing decisions is 20.9% in the weak category and can be interpreted as the influence of the independent variable on the dependent variable being low.

Hypothesis Testing

Hypothesis testing is carried out based on the structural model and will be presented in the image below.



Data source: SmartPLS4 2024 data processing

Figure 2. Structural Model Path (Inner Model)

The conditions for this test are the results *bootstrapping* which is used is t-statistic > t-table with a positive beta coefficient and a significance level of 0.05 or (5%). The test results will be presented in the following table.

Table 4. Results *Bootstrapping* PLS-NO

	Original sample	Sample mean	Standard deviation	T statistics	P values
X1 -> Y	0,385	0,370	0,111	3,463	0,001
X2 -> Y	0,035	0,038	0,169	0,205	0,838
X3 -> Y	0,180	0,186	0,084	2,141	0,032

Data source: SmartPLS4 2024 data processing

Based on data processing in table 3.4 above, the meaning according to the t statistical provisions is:

1. X1 t-statistic value (Ethnocentrism) against Y (online purchasing decisions) of $3.463 > 1.660$ and value *p-hairy* equal to $0.001 < 0.05$. This means that the hypothesis is accepted and it can be stated that ethnocentrism has a positive and significant effect on online purchasing decisions.
2. Value of t –statistic X2 (Brand image) against Y (online purchasing decisions) of $0.205 < 1.660$ and value *p-hairy* amounting to $0.838 > 0.05$. This means that the hypothesis is rejected and it can be stated that brand image does not have a positive and significant effect on online purchasing decisions.
3. X3 t-statistic value (Lifestyle) against Y (purchasing decision) of $2.141 > 1.660$ and value *p-hairy* equal to $0.032 < 0.05$. This means that the hypothesis is accepted and it can be stated that lifestyle has a significant influence on online purchasing decisions.

Discussion

The Influence of Ethnocentrism on Purchasing Decisions

Based on the research results, it was found that ethnocentrism had a positive and significant effect on online batik purchasing decisions. This is relevant to the opinion of (Jannah et al., 2024) that a strong ethnocentrism attitude will have a positive tendency to use locally made products so that it can increase purchasing decisions for a product. Consumers who decide to buy batik on Shopee look for information before buying local products rather than imported products because the quality is better and the price is cheaper. Consumers also prioritize local products by buying and using local products rather than imported products.

The results of this research are relevant to previous research conducted by (Sandy et al., 2024) with the results stating that ethnocentrism influence positive and significant to the purchase decision. Other research was also conducted by (Fauzi & Asri, 2020) which stated that the results were ethnocentrism has a significant positive influence on decisions purchase.

The Influence of Brand Image on Purchasing Decisions

The research results show that brand image does not have a positive and significant effect on decisions to purchase batik online in Medan. Brand image itself is the perception and impression that consumers have of a brand as a whole, even if they are not exposed to it

directly to the brand. According to (Tasari et al., 2024) Brand image is one of the factors for consumers in making decisions to consume a product and even increases loyalty to that product. Consumers who pay attention to brand image when purchasing a product will pay attention to recognition, reputation, attractiveness and loyalty (Tasari et al., 2024). However, based on the results of data collection, consumers buy batik online at *Shopee* do not pay attention to the following.

Research that is relevant to this research is (Sinaga et al., 2024) which states the same results that brand image does not have a positive and significant effect on online batik purchasing decisions. The same research was also conducted by (Erpurini et al., 2024), but the results say that Brand image has a positive and significant effect on purchasing decisions. The differences in this study could be due to different study populations.

The Influence of Lifestyle on Purchase Decisions

The research results show that lifestyle has a positive and significant influence on the decision to purchase batik online in Medan. Lifestyle is a principle used to fulfill individual behavior. So, each individual's behavior brings its own lifestyle (Setijani, Sugito, & Sumartono, 2019). Batik consumers who decide to purchase online *Shopee* stated that they pay attention to activity, interest and opinion factors.

Previous research that is relevant to this research is (Angkola et al., 2023), (Ahnaf & Lestari, 2024) , and (Purnomo et al., 2024) *with results analysis shows that lifestyle significantly influences Online Purchase Decisions. The results are the same as the results of that research found in this research.*

D. CONCLUSIONS

Based on the results and discussion, below conclusions can be drawn from each variable. The ethnocentrism variable partially has a positive and significant effect on online batik purchasing decisions in Medan City. The brand image variable does not partially have a positive and significant effect on online batik purchasing decisions in Medan City. Lifestyle variables partially have a positive and significant effect on online batik purchasing decisions in Medan City. The variables ethnocentrism, brand image and lifestyle simultaneously influence the decision to purchase batik online in Medan City

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