INFLUENCE OF HALLYU, PACKAGING AND SUBJECTIVE NORMS TOWARDS BUYING INTENTION ON CULTURE ADAPTATION IN ETUDE HOUSE

By
Yuco Aldelina
014201300172

A Skripsi presented to
the Faculty of Business President University
in partial fulfillment of the requirements
for Bachelor Degree in Management

January 2017
The Influence of Hallyu, Packaging and Subjective Norms towards Buying Intention on Culture Adaptation in Etude House

Yuco Aldelina, President University, Cikarang

Abstract

Pertumbuhan persaingan di industri kosmetik semakin menjadi pesat, khususnya di Indonesia dengan hadirnya berbagai merek kosmetik lokal dan impor. Salah satu pesaing kosmetik impor di Indonesia adalah Etude House, yaitu merek kosmetik berasal dari Korea Selatan yang sekarang ini banyak diminati oleh kaum pria dan wanita khususnya di kalangan muda, dan ditambah lagi dengan semakin maraknya budaya Korea Selatan yang masuk ke Indonesia khususnya di bidang kecantikan, maka produk Etude House semakin diminati. Oleh karena itu, peneliti tertarik untuk melakukan penelitian yang berjudul Pengaruh Hallyu, Kemasan dan Norma Subyektif Terhadap Minat Beli pada Adaptasi Budaya di Etude House. Penelitian ini menggunakan beberapa teori untuk mendukung penelitian ini dengan memberikan definisi dari Hallyu, kemasan, norma subyektif, minat beli dan adaptasi budaya. Penelitian ini menggunakan non-probability sampling, dengan teknik judgemental sampling. Penelitian ini melibatkan 200 responden dan datanya diuji menggunakan structural equation modelling dengan software AMOS2.2. Hasilnya menunjukkan bahwa Hallyu tidak berpengaruh positif terhadap minat beli tetapi memberikan pengaruh positif terhadap adaptasi budaya, kemasan berpengaruh positif terhadap minat beli, norma subyektif berpengaruh positif terhadap minat beli dan adaptasi budaya tetapi minat beli tidak berpengaruh positif terhadap adaptasi budaya

Kata kunci: Hallyu, kemasan, norma subyektif, minat beli, adaptasi budaya.

Abstract

The growth of cosmetic’s industries became rapid especially in Indonesia with the presence of local brands cosmetics and imported brands cosmetics. One of the competitors is Etude House, imported brand cosmetic from South Korea, which is now demanded by men and women especially the young people, and plus with the rises of the South Korean cultures coming into Indonesia in the field of beauty makes Etude House more demanded. Hence, researcher interested to have the research on The Influence of Hallyu, Packaging and Subjective Norms towards Buying Intention on Culture Adaptation in Etude House. This study used the theories to support the research by giving the definition of Hallyu, packaging, subjective norms, buying intention and culture adaptation. This study used the non-probability sampling with purposive sampling, 200 respondents were taken part, and the data was tested by using structural equation modeling with AMOS2.2. The result of the findings showed that Hallyu had no positive influence on buying intention but had a positive influence on culture adaptation, packaging had a positive influence on buying intention, subjective norm had a positive influence on buying intention and culture adaptation, but buying intention had no positive influence on culture adaptation.

Keywords: Hallyu, packaging, subjective norms, buying intention, culture adaptation.

INTRODUCTION

Cosmetic Industry is one of the industry in the world that is facing the tough and strict competition. According to Indonesia Finance Today (2015), Indonesia’s cosmetic market value has reached over than US$ 5 billion with the average growth 12% per year. Barwa (2015) said, “Cosmetic sales volume growth driven by increased demand, especially from middle-class consumers. Cosmetics sales growth was also boosted by the rising trend in the use of cosmetics by men. In the past, man is not interested in buying a skin care product that is masculine, but now their interest is high”.

The opportunities of cosmetics market in Indonesia is still very large and cosmetic industry in Indonesia is also a good place for the foreign company to enter the market, according to Nurhayati (2015), it can be seen from the market share of the cosmetic
industry in Indonesia is 70% ruled by the foreign company. One of them is Etude House. It is a brand of the cosmetic product from South Korea with the pastel color and pink that gives a girly impression to their consumers, also easily to attract the women’s interest. According to Teen Magazine, Etude House exists since 1966. Then it changed into Oscar Corporation in 1985. Finally, in 1997 the company name was changed to Etude Corporation then developed the Etude House today.

The development of the cosmetic products are becoming the trend and basic goods for the people in the developing country like Indonesia. Not only can be seen from the number of the outlet that offers the cosmetic product, start from the big outlet until small outlet, but it can be seen from the way the cosmetics used to. Nowadays, several man or woman are using cosmetics in their activities. The trend of the cosmetic industry for the men and women especially teenagers and young adults is the products from South Korea. This caused by the K-pop fever that goes into Indonesia featured by the beautiful actress, actors, and promotion of their cosmetic products. The activity to spread out their culture and products, called as “Hallyu” or the “Korean Wave”.

According to Morinez et al., (2007), buying intention or purchase intention is the willingness of a customer to buy a certain product and the factors of buying intention come from external and internal sides. From many cosmetic products that offered in the market, consumers usually use a specific factor to create the buying intention of a product such as trends, packaging, and subjective norm. Trends such as Hallyu could trigger the fans to buy, emulate and use the same product to be like actress and actors from South Korea.

Attractive packaging will affect the buying intention, in line with the theory of consumer behavior psychologically saying that a consumer will make observations of the goods to be purchased and used by consumers (Kotler and Keller, 2014). Attractive product packaging will encourage a consumer to provide ease of use and storage so that consumers feel satisfied. The unique design, an assortment of sizes, colors, forms and information given on the packaging will increasingly influence consumers in determining the choice of products. Etude House’s packaging is one of the attractive packaging since they used the pink pastel color, good material and design.

Product quality is one of the factors that trigger the buying intention, the better the quality, the greater its potential. However, the subjective norm can reverse the fact that better quality will increase the buying intention. This caused by subjective norm which is a component contains the decision made by individual after considering the views of those people who influence the behavior. Family, friends, and people who have higher positions such as teachers, lecturers, superiors and those who have the dominant role in one’s life make a positive contribution to consumer buying interest.

Based on the background, the objective of this research is to determine how much the influence of Hallyu, packaging and subjective norm towards consumer buying intention and how much the influence of Hallyu, subjective norm and buying intention towards the culture adaptation will be the main research problem of this research. Benefit of this research will be address to the company as input for the company in developing consumer buying intention and other parties as additional knowledge or concept, particularly on Hallyu, packaging, subjective norm, buying intention and culture adaptation.
RESEARCH QUESTION

Based on the description above, this study will examine matters relating to the buying intention, which includes: Hallyu, packaging, subjective norm and the role of Hallyu, subjective norm and buying intention toward culture adaptation.

As for the research question of this study are as follows:

1. Does Hallyu influence Etude House’s consumer buying intention?
2. Does packaging influence Etude House’s consumer buying intention?
3. Does subjective norms influence Etude House’s consumer buying intention?
4. Does buying intention influence culture adaptation on Etude House?
5. Does Hallyu influence culture adaptation on Etude House?
6. Does subjective norm influence culture adaptation on Etude House?

THEORETICAL FOUNDATION

Buying Intention

Buying intention or purchase intention is a studies of the consumers reason to buy a certain brand (Shah et al., 2012). Morinez et al. (2007) define purchase intention as the situation of where the consumer tends to buy a certain product in a certain condition. Kotler (2011) said, “consumer behavior occurred when consumer stimulated by external factors and come to purchase decision based their personal characteristics and decision-making process”.

Model AIDA is an element of the purchase intention as described by Kotler & Armstrong (2011). AIDA Model comprises: (1) Attention. Linkages between consumer and product, in this case in which a company can pay attention consumers with the approach that consumers are aware of the existence product and its quality. (2) Interest. The sensitivity of consumers to the product, in this stage, companies were grown and created a sense of consumer interest in the product. (3) Desire. The desire of consumers to try and to have the product, the curiosity of the consumer to the product directed to an interest in buying. (4) Action. Consumer action retrieve the decision to make a purchase.

One of the complex process in the consumer behavior is the buying intention. It because buying intention usually is related to the factors such as the behavior, perceptions and attitudes of consumers. Purchase behavior is a key point for consumers to access and evaluate the specific product. Researchers have proposed six stages before deciding to buy the product, which are: awareness, knowledge, interest, preference, persuasion and purchase (Kotler & Armstrong, 2012). Customers always think that buying with several aspects such as a low cost, simple packaging and little-known product is a high risk since they the quality of these products is not trustable (Gogoi, 2013).

Hallyu

Hallyu is the term giving to the spread of Korean pop culture globally in various countries around the world. It took roughly two decades as South Korean spread their culture into the parts of East and Southeast Asia in the late 1990s. The “Korean Wave” or called by Hallyu had already made its landing as the new cultural context in the end of the first decade of the 21st century (Kim and Ni, 2011). The spread of the “Korean Wave” in Asia has often been referred in relations to “the growing popularity of South Korean popular culture, especially music, TV dramas, movies, and fashion styles” (Park, 2006). Hallyu, not only successful in spreading the culture through its media such as music, TV dramas, movies, and fashion style, it also successful in creating the market
and intention to buying the Korean products. Farrar and Larar (2010) said, “The purpose of spreading the Hallyu is to create the mindset of the people aboard to like and love the Korean culture. The emergence of Hallyu is giving good influence for the Korean’s economy growth”. Jin (2012) said, “The new markets will be opened for the large-scale export which contains the Korean culture products and will affect the economic situation of the other Asian countries that strive by Hallyu. The trends will be changed from the expensive western imports to the affordable Korean products”. People tend to buy the cheap product with the good quality and the important thing is, the product is up to date or on the booming position. Hallyu will affect the buying intention by its model and artist in delivering the product that they used. The fact, society shows us that many fans imitate their idol, who are actress and actor from South Korea. People tend to buy the Korean product that the actress and actor used to be up to date and same as their idol. Previous research made by Rizki (2014) also states that Hallyu makes the Korean product on the market as the targets for the items-must-buy to follow the Korean artist. Therefore, Hallyu also has a role in the formation of the consumer buying intention.

H1: Hallyu has a positive influence on consumer buying intention.

Packaging

Packaging is the first thing seen by the consumers. Nowadays, packaging is considered as the powerful weapon to communicate between manufacturers, service providers with the consumers (Rettie and Brewer, 2000). There are two types of categorized factors of packaging: the visual element and the informational element. The visual elements are the Colors, Pictures, Fonts, Shapes and Sizes of packaging, and relate more to the affective side of decision making. The Informational element is the information provided and materials used in the packaging process and are more likely to address the cognitive side of decisions (Silayoi and Speece, 2012). The good visual elements will consider the colors, pictures include layout, color combinations, typography and product photography, which all of these aspects will create an aesthetic image. Graphics and colors are critical for the low involvement, it is because they have a strong influence on marketing especially when it come to the communication aspects which will create terms of image building (Grossman and Wisenblit, 2011).

Another important aspect of the packaging which will attract the consumer attention is the font. Font of the packaging information section can create the vital results. The small fonts could make the consumers difficult to read and could lead to misleading or inaccurate information, it also could have a dense in the writing styles (Deliya & Parmar et al. 2012).

The size and the shape of the packaging will be directly affected to consumer judgment and decision. Consumers tend to have the same experience products with every brand and will decide the bought volume later. This implies that disconfirmation of package size after consumption may not lead consumers to revise their volume judgments in the long term, especially if the discrepancy is not very large (Raghubir and Krishna, 2013).

Besides as the communication, packaging is also found to attract attention (Schoormans, 2014). Pictures on packages are emphasized to attract attention; particularly when consumers are not very familiar with the brands (Underwood et al., 2012). In other words, packaging also could attract the consumers to buy the products.
even the products are not very familiar with brands.

Packaging is a tool to protect the product which also give the impression to the consumer leads to the buying intention. Chandrawati (2015) also said that, “A good packaging will attract consumer from its color, font, background, and the shape of the packaging. Therefore, the better packaging will affect the consumer purchasing intention.”. In society, people tend to buy a product not because the quality is good, but a packaging which can be used after the purchase is one of the factors that consumer intent to buy. Previous research by Nazarullah (2014) stated, “The appeal of the packaging is very important to capture consumer stimulus delivered to manufacturers that trigger their buying interest of consumers”. Therefore, packaging has already a weapon for the company to win the market.

**H2 : Packaging has a positive influence on consumer buying intention.**

**Subjective Norms**

Subjective norms relate to the perceived social influences/pressures to indulge or not to indulge in a given behavior (Ajzen, 1991). Subjective norms reveal the beliefs of individuals about how they would be viewed by their reference groups if they perform a certain behavior. Chang (1998), Shimp and Kavas (1984), have found in their studies that there exists a significant causal path between subjective norms and attitude leading toward behavior on buying intention.

Tjahjono and Ardi (2008) said, “Subjective norms form of normative beliefs and willingness to obey the wishes of others that are considered more important, and, normative beliefs regarding the condition of the importance of the individual or group referents will agree or disagree with the execution behavior.” Therefore, if the subjective norms agree to the behavior and it has a strong influence, it will encourage consumer buying intention.

In the society, people tend to do the same thing with the others while the condition of the environment supports them to do. Previous research by James and Christodoulidou (2011) concluded that the subjective norm has an influence on the intention to drink wine from the wine consumption is often done in the company of others. It is the same in the behavior of the consumer before they are intended to buy a product. Previous research by Yogatama (2013) also said, “Subjective norm also give the influence and encourage the consumer to the buying intention because of the social pressure felt by individuals to doing any act”.

**H3 : Subjective norms has a positive influence on consumer buying intention.**

**Culture Adaptation**

Cultural adaptation generally refers to the attempt to “establish (or reestablish) and maintain relatively stable, reciprocal and functional relationships with those environments” (Kim, 2011). The process of cultural adaptation is divided into a series of linear stages in most existing studies. For example, Lysgaard (2012) maintains that the sequence of cultural adaptation falls into a U-shaped curve that starts from a period of euphoria at the entry point (stage 1) through a period of crisis (culture shock) at the contact point (stage 2) and a period of coming to terms with the strange environment (stage 3) up to a period of regained adjustments (stage 4). According to Bennet and Taylor (2012), Cultural adaptation is generally considered as a continuing process of learning, growth, and transformation in existing studies. The degree of sojourners’ difficulties in the new environment is thought to be related to the cultural distance between the home and host culture (Furnham and...
Bochner, 2011). More specifically, studies show that an increase in the similarities between the home and host culture will help increase sojourners’ understanding of the host culture and thereby decrease their stress (Gudykunst and Hammer, 2013). In other words, culture learning may help sojourners understand cultural differences so as to adjust to the new environments. This Cultural Adaptation as a Sense-Making Experience learning experiences will lead to a new world view (Taylor, 2012), and even a new identity with intercultural knowledge and behavioral capacities (Kim, 2013). According to Berry (2012), adaptation refers to “Changes that take place in individuals or groups in response to environmental demands”. Also, studies by Luna et al. (2012) and Singh et al., (2013) confirm that country-specific web content that is adapted to local culture and language enhances usability, and perceived usefulness, leading to higher purchase intentions.

Buying intention is a behavior that leads to the culture adaptation. With the behavior of buying a certain product from a specific country, we will force indirectly to blend with the culture of the product origin. In the society, if we tend to buy a Korean product, we will indirectly starting to like the Korean culture like how they dressed and make-up. Suryanto (2013) said that, “A behavior of purchase a certain product of a specific place will automatically create a sense of love to the product origin.”

Hallyu has successfully entered into Indonesia and many of the young and adults are adapting the Korean style such as the fashion&hairstyle and they starting to use Korean common language to speak such as; “annyeong”, “saranghae”, “bogoshipo” etc. Farrar and Larar (2012) said, “The purpose of spreading the Hallyu is to create the mindset of the people aboard to like and love the Korean culture.” In the society, the next step of buying intention is the purchasing decision, if the consumer already intends to buy a product, the consumer will be satisfied with the product and they will tend to buy the same product oftenly. The repurchasing activities with the same factors will leads the consumer to adapt the product’s culture. As an example, a consumer who is willing to buy a cosmetic with the “halal” certifications or “muslimah material bases”, tends to absorb the product’s culture, “using the halal items”.

Subjective norm as the internal and external factors affecting the consumer buying intention, is also has an effect on the culture adaptation. When the social environment already adapting the Hallyu or the Korean culture, people tend to do the same thing to follow the trend. For example, the people who don’t know about the Korean language will be learned and begin to speak Korean language if there’s a friend or a group of friends who always use Korean Language to speak. And this situation will trigger the people to adapting the Korean culture. It is like what Ajzen (1991) said that, “Subjective norms relate to the perceived social influences/pressures to indulge or not to indulge in a given behavior”

H4 : Buying intention has a positive influence on culture adaptation.

H5 : Hallyu has a positive influence on culture adaptation.

H6 : Subjective norms has a positive influence on culture adaptation.

Theoretical Framework
RESEARCH METHODOLOGY

The object of this research is the buying intention on culture adaptation on Etude House’s product. This research subjects are women who had been buying or consuming the Etude House. The data to be used are the primary data, collected by distributing the questionnaires in person and via online by the Google Docs. The research population is the people who live at Bekasi and ever use the Etude House’s product. The sample of this research is the student, employee, housewife and others that live in the Bekasi area. Methods to be used is the nonprobability sampling - the judgmental sampling. According to Copper and Schindler (2011), judgmental sampling is a sampling technique with certain considerations. In this study, respondents selected are respondents who meet the following criteria: 1) Male or Female with age 17 – 40 years old. 2) Have used the Etude House’s product. The number of samples taken was 200 respondents from several groups, such as students, employees, entrepreneurs, and housewives who’ve bought Etude House’s product. The primary data comes from the original source by its own question. The questionnaire contains about four variables, Hallyu, packaging, subjective norms and cultural adaptation.

This research is using Structural Equation Modeling (SEM) methods. Questionnaire instrument to be used is the Likert Scale 5-points, with the interval level of measurements as follows, (1) Strongly disagree, (2) Disagree, (3) Neither agree or disagree, (4) Agree, (5) Strongly Agree. The author has conducted pre-test questionnaire to 30 respondents to see the validity and reliability of each of the indicators that will be used as a statement in the questionnaire. According to Hair et al., (2010), an indicator is declared valid if the value if corrected item-total correlation ≥ 0,361 and declared reliable if the value of Cronbach’s Alpha > 0,7. The data obtained from the questionnaires will be analyzed using Structural Equation Modeling method with AMOS 2.2.

ANALYSIS AND DISCUSSION

CFA MODEL (Source : Primary Data 2016)
The CFA model is shown as the picture above is shown as a good-fit model, shown in the table measurement below.

The researcher had already done the pre-test with distributing the questionnaires to 30 people to find out whether the questionnaire is valid and reliable. The finding of pre-test is shown in the picture below:

### Hallyu Validity Table

| Indicator | Estimated Value | Corrected Item Total |
|-----------|-----------------|----------------------|
| H1        | ≥.361           | .680                 |
| H2        | ≥.361           | .650                 |
| H3        | ≥.361           | .699                 |
| H4        | ≥.361           | .817                 |
| H5        | ≥.361           | .781                 |

*Source: Primary Data (2016)*

The result for each indicator on Hallyu’s question is valid since the corrected item total is ≥0.361.

### Packaging Validity Test

| Indicator | Estimated Value | Corrected Item Total |
|-----------|-----------------|----------------------|
| P1        | ≥.361           | .816                 |
| P2        | ≥.361           | .801                 |
| P3        | ≥.361           | .421                 |
| P4        | ≥.361           | .770                 |
| P5        | ≥.361           | .707                 |

*Source: Primary Data (2016)*

The result for each indicator on Packaging’s question is valid since the corrected item total is ≥0.361.

### Subjective Norm Validity Test

| Indicator | Estimated Value | Corrected Item Total |
|-----------|-----------------|----------------------|
| SN1       | ≥.361           | .755                 |
| SN2       | ≥.361           | .673                 |
| SN3       | ≥.361           | .777                 |
| SN4       | ≥.361           | .777                 |
| SN5       | ≥.361           | .733                 |

*Source: Primary Data (2016)*

The result for each indicator on Subjective Norm’s question is valid since the corrected item total is ≥0.361. *(Source: Primary Data (2016)).

### Buying Intention Validity Test

| Indicator | Estimated Value | Corrected Item Total |
|-----------|-----------------|----------------------|
| BI1       | ≥.361           | .811                 |
| BI2       | ≥.361           | .867                 |
| BI3       | ≥.361           | .778                 |
| BI4       | ≥.361           | .842                 |
| BI5       | ≥.361           | .703                 |

*Source: Primary Data (2016)*

The result for each indicator on Buying Intention’s question is valid since the corrected item total is ≥0.361.

### Culture Adaptation Validity Test

| Indicator | Estimated Value | Corrected Item Total |
|-----------|-----------------|----------------------|
| CA1       | ≥.361           | .669                 |
| CA2       | ≥.361           | .744                 |
| CA3       | ≥.361           | .783                 |
| CA4       | ≥.361           | .783                 |
| CA5       | ≥.361           | .707                 |

*Source: Primary Data (2016)*

The result for each indicator on Culture Adaptation’s question is valid since the corrected item total is ≥0.361.

For the reliability test, it will shown in the table below:

### Reliability Test

| Indicator | Estimated Value | Cronbach’s Alpha |
|-----------|-----------------|------------------|
| Hallyu    | ≥0.7            | .885             |
| Packaging | ≥0.7            | .871             |
| Subjective Norms | ≥0.7 | .891 |
| Buying Intention | ≥0.7 | .921 |
| Culture Adaptation | ≥0.7 | .891 |

*Source: Primary Data (2016)*

All the indicator of the variables is shown reliable since it is ≥0.7.

The researcher was distributing 200 questionnaires to the 200 respondents. The
following table is the respondent’s characteristic which use to support the analysis of the research based on gender, age, education qualification, monthly expenditure, occupation, buying frequency of the product and the bought type of product.

In the Table 1, on gender section of the respondent’s characteristics, there are 170 female and 30 male which can obtained. In the section, the researcher obtained respondents with 17 – 24 years old as the dominant respondents with the frequency of 179 or 87%. The education qualification is dominated by Bachelor degree or S1 with the frequency of 64.5%. From occupation section, student is the dominant respondent with the frequency of 149 or 72%. Buying frequency of the respondents is dominated by 1-2 times buying action with the frequency of 94, and the highest respondent monthly expenditure is the < IDR 3,000,000 with 43.5%.

By using SEM and AMOS 2.2, obtained overall suitability structural model test, which also produces the conformity value or GOF. Conformity values are shown in table 2. Good-of-Fit criteria are the step in which the model is concluded as acceptable or not. The Chi-Square is indicating the difference between the estimated population covariance and sample covariance. The smaller Chi-square value is, the better it will be. CMIN/DF was done in order to find the minimum standard of discrepancy function divided by the degree of freedom. As the CMIN/DF value is 2.693, which pass the requirement to the Good-of-Fit criteria, thus it can be concluded that the model is acceptable. RMSEA is measuring how well the model with the parameter of the population, since RMSEA value ranging from \( \leq 0.08 \), it will indicate as mediocre fit, therefore as the RMSEA value in this research is \( .092 \), this model is considerably mediocre fit in the population. TLI or Tucker-Lewis Index is a measurement used to compare the proposed model and the possible alternative model. As the TLI value in this research is \( .809 \), thus the model is concluded as acceptable fit. IFI or Incremental Fit Index is a measurement used to measure the proposed model whether it is correct or not. As the IFI value in this research is \( .845 \), this model is concluded as acceptable fit. The CFI or Comparative Fit Index measurement is used to measure the improvement in non-centrality in going off the model. Since this research shows the value of \( .0842 \), thus it is considered as a good fit model. After analyzing the assessment from Model fit index, it is concluded that the model is acceptable in the population and has a mediocre fit to reach the reasonable level in real life application.

| Table 1. Respondent’s Characteristics |
|--------------------------------------|
| Sub Category | Frequency | (%) |
|----------------|-----------|-----|
| Gender         |           |     |
| Male           | 30        | 19% |
| Female         | 170       | 81% |
| Age            |           |     |
| 17-24 y.o      | 179       | 87% |
| 25-34 y.o      | 21        | 13% |
| Education Qualification | |     |
| Senior High School | 42 | 22% |
| D3             | 18        | 9%  |
| S1             | 134       | 64.5%|
| S2             | 6         | 5.5%|
| Occupation     |           |     |
| Student        | 149       | 72% |
| Employee/Entrepreneur | 50 | 25% |
| Other          | 1         | 3%  |
| Buying Frequency |         |     |
| 1-2 times      | 94        | 45% |
| 3-5 times      | 64        | 32% |
| 5-7 times      | 22        | 11% |
| >7 times       | 25        | 12% |
| Monthly expenditure |      |     |
| < IDR 1,500,000 | 55 | 27% |
| < IDR 3,000,000 | 80 | 43.5%|
| < IDR 5,000,000 | 42 | 23% |
Table 2. Goodness of Fit (GOF) Value Index

| GOF Indicator | Good Fit Value | Estimation Result | Conclusion |
|---------------|----------------|-------------------|------------|
| X² - Chi Square | P < 0.05 | .000 | Significant |
| CMIN/DF | 0.0 < CMIN/DF < 3 | 2.693 | Good Fit |
| RMSEA | RMSEA ≤ 0.08 | 0.092 | Mediocre Fit |
| TLI | 0.0 < TLI < 0.9 | .809 | Good Fit |
| IFI | IFI ≥ 0.90 | .845 | Marginal Fit |
| CFI | 0.8 < CFI < 0.9 | .842 | Good Fit |

Source: Tasmin and Woods (2010), Arbuckle (2012), Primary Data (2016)

Table 3. Hypothesis Test

| Hypothesis | CR | P Value | Findings |
|------------|----|---------|----------|
| H1 | 1.906 | .057 | Not supported by data |
| H2 | 4.304 | .000 | Supported by data |
| H3 | 2.420 | .016 | Supported by data |
| H4 | 1.704 | .088 | Not supported by data |
| H5 | 4.318 | .000 | Supported by data |
| H6 | 5.913 | .000 | Supported by data |

Source: Primary Data (2016)

Table 3 shows which aspect affecting most to the buying intention and culture adaptation. The most influential in buying intention is the H2 or the packaging to buying intention and the most influential in culture adaptation is the H6 or subjective norms to culture adaptation. P value shows the significant level between variable. Therefore, P value is used to do the hypothesis testing, when P value is lower than (<) 0.05, it means significant and hypothesis is supported by the data.

Based of H1 on the findings in table 3, P value is .057 which is more than 0.05, means the hypothesis is not significant. Hence the hypothesis of Hallyu has a positive influence on consumer buying intention is not supported by the data the hypothesis 1 (H1). These findings does not in line with Rizki (2014) who stated that Hallyu makes the Korean product on the market as the targets for the items-must-buy to follow the Korean artist. Unsupported of this hypothesis, allegedly because of the people will appreciate the Korean drama, music and culture, but to intend to buy the Korean product is still questionable. The respondents also are not interested in buying the products origin from South Korea even there’s the Hallyu effect. The respondents only got the message of Hallyu as the cultural aspects such as the language, TV shows, music, fashion and food.

Based on the findings in table 3, The P value of H2 is 0.000. In other words, it is below than 0.05 and the H2 is significant. Hence the hypothesis of packaging has a positive influence on consumer buying intention is supported by the data and accept the hypothesis 2. These findings are in line with the statement of Chandrawati (2015) that a good packaging will attract consumer from its color, font, background, and the shape of packaging. Therefore, a better packaging will affect the consumer purchasing intention. Currently the role of packaging change with increasing consumer interest and it become a tool used by companies to increase sales and reduce promotion costs. Attributes in packaging
such as color, background, shape, text, etc. can attract the attention of consumers. When consumers are attracted to a package then they will buy. But if the package is not attracted the attention of consumers, the less likely the consumer will buy the product. These findings also in line with Nazarullah (2014) who state that the appeal of the packaging is very important to capture consumer stimulus delivered to manufacturers that trigger their buying interest of consumers.

Based on the findings in table 3, the P value of H3 is .016 which is significant because the P Value is < 0.05. Hence, the hypothesis of subjective norms has a positive influence on consumer buying intention is supported by the data and accept H3. These findings are in line with Tjahjono and Ardi (2008) who stated that subjective norms are form of normative beliefs and willingness to obey the wishes of others that are considered more important and regarding the condition of the importance of the individual or group referents will agree or disagree with the particular behavior. Subjective norms tend to give the indirect pressure to a people to agree and follow the specific action even on a buying action. These findings also in line with Yogatama (2013) who stated that Subjective norm also give the influence and encourage the consumer to the buying intention because of the social pressure felt by individuals to doing any act.

Based on the findings in table 3, the P value of H4 is .088, means the hypothesis is not significant because the P value is < 0.05. Hence, the hypothesis of buying intention has a positive influence on culture adaptation is not supported by data. These findings does not in line with Suryanto (2013) who stated that a behavior of purchase a certain product of a specific place will automatically create a sense of love to the product origin. Unsupported of this hypothesis, allegedly because of the Etude House only sell the cosmetic products and they didn’t educate the buyer to like and to adapt the Korean culture.

Based on the findings in table 3, the P value of H5 is .0.000, means the hypothesis is significant because the P value is < 0.05. Hence the hypothesis Hallyu has a positive influence on culture adaptation is supported by the data and accepted. These findings are in line with Farrar and Larar (2010) who stated that the purpose of spreading the Hallyu is to create the mindset of the people aboard to like and love the Korean culture. Hallyu has successfully create the mindset of the young people in Indonesia to like and love the Korean culture. It can be seen from the behavior of the respondents who tends to learn the Korean culture such as language and using the Korean products. Moreover, in the society, it can be seen that K-drama, K-music and K-fashion is the new trends and culture amongst the people.

Based on the findings in table 3, The P value of H6 is 0.000, in other words, it is below than 0.05 and the H6 is significant. Hence the hypothesis of subjective norms has a positive influence on culture adaptation. Subjective norms also successfully to create the mindset of the Indonesian people to like and to love the Korean culture. It happens because subjective norm is the social pressure to make the people follow and belief of someone’s perception. These findings are in line with Ajzen (1991) who stated that subjective norms relate to the perceived social influences/pressures to indulge or not to indulge in a given behavior.

**CONCLUSION**

Thus it will be concluded that (1) Hallyu has no positive influence and not significant on consumer buying intention. This statement can happen because of the society tend to absorb and responded well to
the spreading culture such as the K-drama, K-music and K-fashion, etc. The society does not care about the Korean products that affected by the Hallyu or trends that are booming nowadays. It also happened because of Hallyu can not guarantee the product quality of the product itself. (2) Packaging has a positive influence and significant on consumer buying intention. This means that the more unique and memorable a packaging product, the consumers buying intention toward the product will be greater. (3) Subjective norms have a positive influence and significant on consumer buying intention. This means that the social pressure can affect the belief of an individual to follow and perform a certain behavior. (4) Buying intention has no positive influence and not significant on culture adaptation. This means by purchasing a product from a particular country, it does not mean that people will absorb their culture. (5) Hallyu has a positive influence and significant on culture adaptation. This means the spreading Hallyu by the TV shows, music and fashion will trigger the people to like, love and learn the Korean culture. (6) Subjective norms have a positive influence on culture adaptation. This means that social pressure can affect the people who do not like the Korean culture becoming like the Korean culture. It happens because the subjective norm is a form of normative beliefs and willingness to obey the wishes of others.

**Limitation and Future Research**

There is some limitation of this research that had been done such as: (1) Etude House is the only product which been observed, so the other people can not compare to the other product. (2) This research only done in a small specific place which is in Bekasi, so the researcher hope in the future research, it can be done in a much more widely place. (3) Researcher only analyzes the factors of buying intention towards culture adaptation. The variables that been used in this research are Hallyu, packaging, and subjective norms. Researcher hope in the future research, it can add some variables either on intervening variables, dependent variables or independent variables in order to give new facts which could be use and study for people and society, such as, advertisement, word-of-mouth, customer satisfaction, loyalty, brand ambassador, promotion, etc.

**REFERENCES**

Aday, M. S., & Yener, U. (2014, 05). Understanding the buying behaviour of young consumers regarding packaging attributes and labels. *International Journal of Consumer Studies*, 38(4), 385-393. doi:10.1111/ijcs.12105

Chandrawati, L. (2015, 07). Influence of Price, Pakcaging and Product Quality Towards Purchase Decisions. *International Journal of Consumer Studies*, 7(1), 07-59. doi:10.1108/1061041024916437

Cultural influence on consumers’ usage of social networks and its’ impact on online purchase intentions. (n.d.). Retrieved December 19, 2016, from http://www.sciencedirect.com/science/article/pii/S0969698911000191

Culture, product type, and price influences on consumer purchase intention to buy personalized products online ☆. (n.d.). Retrieved December 19, 2016, from http://www.sciencedirect.com/science/article/pii/S0148296307001312

Grossman, R. P., & Wisenblit, J. Z. (2011, 06). What we know about consumers’ color choices. *Journal of Marketing Practice: Applied Marketing Science*, 5(3), 78-88. doi:10.1108/eum0000000004565

Hallyu Wave & Social Media in Singapore. (n.d.). Retrieved December 19, 2016, from https://www.surveymonkey.com/r/G8MYV5H
Ham, M., Jeger, M., & Ivković, A. F. (2015, 01). The role of subjective norms in forming the intention to purchase green food. Economic Research-Ekonomska Istraživanja, 28(1), 738-748. doi:10.1080/1331677x.2015.1083875

International Business and Management. (n.d.). Retrieved December 19, 2016, from http://www.cscanada.net/index.php/ibm/article/view/5540/pdf_1

Kim, H., Pak, S., & Frank, R. (2012). Korea and East Asia in a changing regional and global environment. Korea: KIEP.

Kumar, S., & Varadaraj, S. (2016). A Study on Buying Intention of Consumer Behavior towards Organized Retail Stores in Erode District. Asian Journal of Research in Social Sciences and Humanities, 6(4), 89. doi:10.5958/2249-7315.2016.00047.2

Li, G., & Shi, X. (2012, 01). The Determinants of Consumers’ Purchase Intention to Online Group-Buying. Advanced Materials Research, 459, 372-376. doi:10.4028/www.scientific.net/amr.459.372

Lim, W. X., Lim, T. W., & Ping, X. (2016, 09). Korean Wave (Hallyu) in Singapore: Policy Implications Hallyu and Its Background — The Southeast Asian Context. Globalization, Consumption and Popular Culture in East Asia, 183-196. doi:10.1142/9789814678209_0009

Membangun Minat Beli : Definisi, Faktor-Faktor Yang Mempengaruhi dan Minat Pembelian Ulang (Future Intention). (n.d.). Retrieved December 19, 2016, from http://jurnal-sdm.blogspot.com/2011/10/membangun-minat-beli-definisi-faktor.html

Nazarullah, R. (2014, 10). Influence of Packaging Towards Purchase Intention of Souvenir in Singapore. (Online). (http://etd.unsyiah.ac.id/baca/index.php?id=3290&page=7). Retrieved December 19, 2016.

Pengaruh kebudayaan terhadap pembelian dan konsumsi. (n.d.). Retrieved December 19, 2016, from http://suryanto-bogor.blogspot.co.id/2011/12/pengaruh-kebudayaan-terhadap-pembelian.html

Raghubir, P., & Krishna, A. (2013, 08). Vital Dimensions in Volume Perception: Can the Eye Fool the Stomach? Journal of Marketing Research, 36(3), 313. doi:10.2307/3152079

Rizki, D. (2013). Influence of Korean Culture Towards Lifestyle on Teenagers at Yogyakarta. Retrieved December 19, 2016, from (https://www.sciencedirect.com/science/article/pii/S0148296307001312.com/2014/02/16/influence-of-korean-culture-towards-lifestyle-on-teenagers-at-yogyakarta/).

Rettie, R., & Brewer, C. (2000, 02). The verbal and visual components of package design. Journal of Product & Brand Management, 9(1), 56-70. doi:10.1108/10610420010316339

Section 2 - Focus: Future of the Korean Wave. (n.d.). Retrieved December 19, 2016, from https://docs.google.com/spreadsheet/viewform?pli=1&formkey=dEhQdk1VbnFnR1RaeEY3VFctYnc6MQ#gid=0

Sigit, M. (2006, 04). Pengaruh Sikap dan Norma Subyektif terhadap Niat Beli Mahasiswa sebagai Konsumen Potensial Produk Pasta Gigi Close Up. Jurnal Siasat Bisnis, 1(1), 81-91. doi:10.20885/jsb.vol11.iss1.art6

Silayoi, P., & Speece, M. (2012, 11). The importance of packaging attributes: A conjoint analysis approach. European Journal of Marketing, 41(11/12), 1495-1517. doi:10.1108/03090560710821279

S. (n.d.). 70 Persen Pangsa Pasar Kosmetik Indonesia Dikuasai Asing. Retrieved December 19, 2016, from http://www.suara.com/bisnis/2015/12/09/231008/70-persen-pangsa-pasar-kosmetik-indonesia-dikuasai-asing

H. (n.d.). The Effects of Hallyu (Korean Wave) on the Ethnic Identity of Korean Transnationals in the US. Retrieved December 19, 2016, from
http://www.academia.edu/8994868/The_Effects_of_Hallyu_Korean_Wave_on_the_Ethnic_Identity_of_Korean_Transnationals_in_the_US