

Indonesian Consumer Intention towards South Korean Pop Music

by Yulika Rosita Agrippina

FILE	1.INDONESIAN_CONSUMER__AGRIPINA.PDF (379.14K)		
TIME SUBMITTED	25-AUG-2020 03:20PM (UTC+0700)	WORD COUNT	3985
SUBMISSION ID	1373810671	CHARACTER COUNT	21657

Indonesian Consumer Intention towards South Korean Pop Music

Yulika Rosita Agrippina

Management Department, Faculty of Business, Widya Mandala Catholic University, Surabaya, Indonesia

Abstract: This paper examines which variables influenced consumer interest in South Korean Pop (K-Pop) music in the Indonesian market. Gender, consumer interest rate towards South Korean music, consumer frequency of listening to music, and consumer willingness to purchasing music are several variables included in the regression. Data collected using an online survey questionnaire with purposive sampling of 300 consumers with Indonesian nationality in January and February 2020. Statistical analyses were used for testing such as binary logistic regression and correlation analysis. The results show that gender, consumer interest rate towards South Korean music, and consumer willingness to purchasing music has a strong positive correlation. However, the frequency of listening to music does not influence consumer intention in Korean music. Results of the correlation analysis indicate that there is a strong positive correlation between purchase intentions towards Korean Pop music and consumer references of Korean Pop music. The findings might be used in entertainment corporate, as well as a music producer and musician to recognize and better understand the new trends that needed in the industry of music especially South Korean Pop (K-pop).

Keywords: Purchase Intention, Consumer Tendencies, Korean Music.

I. INTRODUCTION

Culture as an abstract concept needs to be presented through concrete material carriers, which can be perceived and accepted by different social subjects. The survey found that with the accelerated process of Korean's economic globalization, in the Korean cultural products overseas spread and acceptance, and tourism experience related to art and handicrafts, performances, movies, television programs, and other entertainment and cultural products, and with Korean philosophy, the social form of abstract expression of music, newspapers, magazines, and books. The impact of the overall decline in the music industry, the level of international development of Korean music has been constrained, which has become the impact of this type of product international cultural trade market competitiveness constraints.

Hallyu, or the Korean wave, refers to the popularity of Korean popular culture in other Asian countries (Ryoo, 2009). Korean waves started in the early 1990s with the export of Korean TV dramas to China, later spread to other East Asian countries, including Japan, Taiwan, Hong Kong, Vietnam, and Thailand (Huat, 2012). Begins with TV dramas, Korean wave expanding in also many other fields, such as music, theater, art, and many more. The Korean Pop music (K-pop) industry experienced significant growth in 2019, according to the International Federation of the Phonographic Industry's (Global Music Report 2019). In 2018, the South Korean music market experienced a 17.9% increase in revenue growth, and it was described as shifting from 'potential' to 'power player'. At the same time, South Korea also ranked number six among the top

10 music markets worldwide. While revenue for physical sales declined by 10.1% worldwide, countries like South Korea, Japan, and India have increased growth. With those achievements, Asia became the second-largest region for physical and digital music combined for the first time.

J.Y. Li and Lee J.H. (2014) report that the Korean wave including TV shows, drama, movies, and music is found to have significant positive effects on Korean product purchase intentions. The Korean wave was then initiated by the government to uplift economic conditions and reposition the image of the country so that Korea could better gain the trust of international consumers by strategically aiming at promoting and showcasing creative production-related to cultural aspects (Lee et al., 2015). Korean dramas and K-Pop music are considered to be the most representative drivers of Hallyu, and global consumers' preference for Korean brand products may increase as their preference for Hallyu increases. Thus, Hallyu may have emerged as an important cue affecting global consumers' purchase decision-making (Kim et al., 2017).

II. PURPOSE OF THIS RESEARCH

The purpose of this research is to:

- Knowing the taste of the music community in Indonesia, especially in the range of productive age. Giving a general picture of the musical tastes of Indonesian society in the age of productive age because, in this range of age, human being already has the characteristics and have the ability to make consumption decisions independently. Besides, productive age is the age period in which people seek experiences, learn, and try new things that will be a reference pattern of life and habits of adulthood to old age.
- Contributing to international relations, especially in the business and economic fields of Korean and Indonesia. International Relations Between the two countries can be related to many things related to cooperation, development, law, transportation, economic, political, social, and cultural. This study specifically refers to the objectives of economic and business relationships between Korean and Indonesia that cannot be separated from other factors mentioned above.
- Expanding the scope of research in the field of economics especially related to music. The number of fields that became the cooperation of two countries between Korean and Indonesia, while even globally felt still lack of research in the field of economics that specifically examines the development of the music industry. While the music industry also continues to grow and become increasingly complex and dynamic today. In addition, music is also a product that is traded globally and become the daily consumption of society as a necessity and lifestyle.
- Identify the status and position of Korean music in Indonesia, the growth stage, and analysis. Through analysis and identification, it is hoped that this research will give a clear

picture of Korean's position, image, and development of music in Indonesia, deeper about the development stage of Korean music products in Indonesia.

e) Plan a strategy for Korean music to expand Indonesia's home market. In addition, this research will also discuss strategic planning in the future contribution of music originating from Korean in Indonesia and become an evaluation of the situation that has happened and anticipation in the future.

III. METHODOLOGY

A. Research Instrument

Data collected through a survey questionnaire using a purposive sampling of 300 people with Indonesian nationality that ever heard of Korean music with minimum age 15 years old and maximum age of 30 years old. The questionnaire spread for the empirical study was carried out in January and February 2020. The questions were based on the review of the literature and the questionnaire consisted of two parts, the first part included statements on a five-point Likert scale, where respondents were asked to express the degree of their agreement (1 – strongly disagree, 5 – strongly agree) relating purchase intentions towards Korean Music and one statement ("I intend to listening Korean Music") with dichotomous (Yes/No) answers. The second part of the questionnaire included a demographic variable of the respondents (e.g. gender).

B. Research hypotheses

Binary logistic regression was used to broaden understanding of the variables that affected Indonesian consumer purchase intentions towards Korean Music. Binary logistic regression testing is quite similar to linear regression besides that it is used when the condition of the dependent variable is nominal and dichotomous. It assumes that the dependent variable is dichotomous and the outcomes are independent and mutually exclusive, in a single case can only be represented once and must be in one group or the other (Tabachnick and Fidell, 2019). The model can be expressed as follows:

$$\ln \left(\frac{P(\text{purchase})}{1 - P(\text{purchase})} \right) =$$

$$\beta_0 + \beta_1 \text{gender} + \beta_2 \text{interest_in_Korean_music} + \beta_3 \text{often_listening_to_music} + \beta_4 \text{bought_music}$$

From the background of problems and research objectives, the following hypothesis proposed:

H1 - Indonesian consumers who are inclined to purchase general music have a higher intention of purchasing Korean Pop music

H2 - Indonesian consumers who are interested in Korean music have a higher intention of purchasing Korean Pop music.

H3 - Indonesian consumers who often listening to general music have a higher intention of purchasing Korean Pop music.

H4 - Strong and positive relationship between consumer purchase intentions with consumer recommendations towards Korean Pop music products.

The dependent variables show in an Odd ratio where P (purchase) is predicted by the probability of the event is coded with 1 (in this case is the intention of purchasing Korean music). Predictor variables using gender, interest in Korean music, purchasing general music, and frequency of listening music in general (categories of these variables are shown in

Table 1). Binary logistic regression testing performed using computer program software SPSS 25.0 as well as the correlation analysis. The results obtained from surveys conducted using different analytic tools, including analytical and synthesis methods, inductive and deductive methods, generalization and combined methods, different statistical methods, binary logistics, and correlation analyzes.

C. Research Sample

Table 1 showing the characteristics of the analyzed sample.

Table 1 Characteristics of the analyzed sample

Variable	Categories	Percentage (%)
I intend to purchase Korean Pop Music	Yes	72
	No	28
I intend to recommend Korean Pop music to my Acquaintances	Yes	54
	No	46
Gender	Male	50
	Female	50
I am inclined towards purchasing music in general	Strongly disagree	10.7
	Disagree	6.3
	Neither disagree nor agree	12.3
	Agree	8.7
	Strongly agree	62
I am inclined towards interest in Korean Pop music	Strongly disagree	7
	Disagree	11
	Neither disagree nor agree	14
	Agree	42.7
	Strongly Agree	25.3
I am inclined towards often listening to music in general	Strongly disagree	3.7
	Disagree	12.7
	Neither disagree nor agree	6.3
	Agree	4.3
	Strongly Agree	73

Source: Research findings (N = 300)

The results are shown in Table 1, a sample of research consists of 300 respondents from Indonesian citizen, which 50% are male respondents and 50% are female respondents. The results show that 54% of the respondents intend to purchase Korean music although 72% of respondents said they intend to listen to Korean music. Another results shown 68% of the respondents have an interest in Korean music, 77.3% of respondents intend to often towards listening to music in general. Respondents who agree towards purchasing music, in general, is 70.0%.

VI. DISCUSSION OF FINDINGS

In table 2, the research model and the results of the model testing are presented with binary logistic regression analysis. The first part of the table shows the testing of diagnostic models and the second part shows the coefficients and odds ratios of testing the regression equation.

Table 2: Model diagnostic and results estimation

Model diagnostics			
Classification of table results			
Overall percentage correct	72%		
Sensitivity	79.30%		
Specificity	55.10%		
The cut value is 0.500			
Hosmer and Lemeshow test			
Chi-Square	3.345		
Sig.	0.502		
Result of estimation			
	Coefficient β	Odds Ratio	Sig.
Gender	0.664	1.942	0.011
Purchased Music			0.036
Strongly disagree*	---	---	---
Disagree	1.581	3.56	0.395
Neither disagree nor agree	2.301	5.352	0.551
Agree	2.597	7.351	0.334
Strongly Agree	2.066	9.936	0.871
Interest in Korean Pop Music			0.003
Strongly disagree*	---	---	---
Disagree	0	1	1
Neither disagree nor agree	1.143	3.319	0.129
Agree	4	9.018	0
Strongly Agree	4	5.018	0
Often listening to Music			0.238
Strongly disagree*	---	---	---
Disagree	-1.122	0.326	0.015
Neither disagree nor agree	-0.737	0.479	0.039

Agree	-1.385	0.25	0.162
Strongly Agree	-0.849	0.428	0.024
Constant	-0.88	0.415	0.001

Source: Research findings

*Notes: RC - Reference Category

The classification table shows the overall percentage for each dependent variable that is predicted correctly by the model. The percentage of results from the overall model of 72%, shows, in, 72% of cases, the intention to buy Korean Pop music (purchase or not purchase) is predicted by the model correctly. In addition, sensitivity and specificity showed 79.3% occurrences which were correctly predicted by 55.1% of non-emergence.

The Hosmer-Lemeshow testing the null data hypothesis according to the model well, which shows the linear relationship between the predictor variables and the opportunity log of the criterion variables. Chi-square statistics are calculated compared to the frequency displayed with the expected under the linear model. Chi-square which is not significant means the null hypothesis is accepted and the data is in accordance with the model. Because the significance of the Hosmer and Lemeshow test is greater than 0.05, the data is in accordance with the model. Conventional standard predictors of 0.05 for statistical significance (Table 2) will explain:

- For Gender variable 1.942 odds ratio means that there is a higher probability for women to purchase Korean Pop Music than men. These findings are in accordance with previous researches (Lee and Chang, 2017) stated that women have a stronger affinity for Korean pop culture. Along with the fact, there is a 1.942 times higher probability for women to purchase Korean Pop music compared to men. These findings are in accordance with previous researches (Ochieng and Kim, 2019) which indicates female respondents tended to consume Korean cultural products more, are impacted by Korean by history more, and have a more favorable attitude towards Korea after contact with Korean cultural products.

Odds ratios for all categories of interest in Korean Pop music mean that there is a higher probability of purchasing Korean Pop music for those respondents who disagree, neither disagree nor agree, agree and strongly agree with the statement "I am inclined towards interest in Korean Pop music" compared to those who strongly disagree with the given statement.

- Odds ratios for all categories of often listening to music (in general) mean that there is a higher probability of purchasing Korean Pop music for those respondents who disagree, neither disagree nor agree, agree and strongly agree with the statement "I am inclined towards often listening to music" compared to those who strongly disagree with the given statement. Table 2 showing, except for variables often listening to music, the variables in the model (gender, interest in Korean Pop music and purchasing music) have a statistically significant impact on the probability of purchasing intention towards Korean Pop music products. Considering the fact that purchase intentions towards interest in Korean Pop music are coded on a 5-point Likert scale, it is evident from the coefficients (Table 2) that with higher purchase intentions towards interest in Korean Pop music, the probability of intention to purchase Korean Pop music increases. Also, consumers who are more inclined towards purchasing Korean Pop music products probably will be women.

Hypothesis H1 is supported because there is a higher probability that consumers who are more inclined towards purchased music in general will have a greater tendency of purchase intentions towards purchasing Korean Pop music. The form of purchasing music products has increased into many methods, ranging from physical albums, following the development of technology and switch to digital music form. Not only physical products but music products through digital streaming application services are now also very popular. So through these applied activities, especially streaming music subscriptions, it is very possible for listeners to subscribe (in the form of music purchases and offline downloads) to buy music from various countries and genres. Song downloads rate are gradually declining on a global scale along with the fact people switch from individual song purchases (pay-per-song) to fixed-price streaming services. Coupled with certain menu charts and playlist offered in the platform, it's no wonder music fans in general also make purchases of Korean Pop music products in fact K-pop music possibly pop-up in the top playlist songs, or recommendation.

From the data collected respondents who agree that they have a tendency of interest in Korean Pop music have a 9.018 times higher probability for purchasing Korean Pop music compared to those who strongly disagree with the statement "I am inclined towards an interest in Korean Pop music". Those respondents who strongly agree with the mentioned statement have a 4.49 times higher probability of purchasing Korean Pop music products compared to those who strongly disagree with the statement. The results of analyzing data shows, if the consumers have a stronger tendency towards interest in Korean music they will also be more inclined towards purchasing Korean Pop music products. From this findings, hypothesis H2 is supported. As it was expected, customers who are interested in Korean Pop music, they will more easily adapt to the development of K-Pop and will be more likely to buy Korean Pop music products. They also have an interest in updating music products from any other musicians in the field of Korean Pop music. From the sample of respondents taken, respondents who agree that they have a tendency towards purchasing any music products in general have a 7.35 times higher probability of purchasing Korean Pop music products, and those who strongly agree, a 9.93 times higher probability compared to those who strongly disagree with this statement.

Therefore hypothesis H3 is not supported. An interesting result from the study to discussing that the result for the variable often to listening music in general is not statistically significant, consumers who have a tendency towards listening music in general are not inclined towards purchasing Korean Pop music. No matter regardless of what is physical or the online music consumer, spending money on the track they like or supporting their favorite artist is the most obvious and direct way to express their emotion to the artist and the music and to express their own personality and style as well (Wu et al, 2017) making music product purchases become a recurring habit and people who buy will usually do repurchase, whereas people who only listen without paying tend not to have the desire to buy music products and prefer to listen to music for free without making a purchase. Despite paying for music, many ways exist for people to enjoy free music through computers these days regardless of legality (Ogden and Long, 2011; Wlomert and Papias, 2015; Sinclair and Green, 2016)

The next table shows the relationship between consumers interest in Korean music and consumer recommendations towards Korean Pop music products. The relationship between consumers intentions towards purchasing Korean Pop music

products and consumer recommendations towards Korean Pop music products was examined by using Spearman's rank relation. The further processing of data is approached by using the Spearman's correlation coefficient. Table 3 shows that the correlation is significant at the 0.01 level and Spearman's coefficient is 0.725, showing a strong positive relationship between variables. These results indicate that respondents who have a higher interest in Korean music have positive attitudes towards the recommendation of Korean Pop music products. Also, regarding the relation strength, these consumers have a strong tendency towards purchasing and recommending Korean Pop music to their related.

Table 3 Correlation between consumer purchase intentions towards Korean Pop music products and consumer recommendation towards Korean Pop music

Correlation			
I would always recommend Korean Pop music products			
Spearman's rho	I intend to purchase Korean Pop music	Correlation Coefficient	.725**
		Sig. (2-tailed)	.000
		N	300

**Correlation is significant at the 0.01 level

Source: Research findings

Therefore, they will definitely recommend purchasing Korean Pop music products to consumers who are not inclined towards Korean Pop music products or who are not aware of Korean Pop music or artist existence. Based on these findings, hypothesis H4 is supported. Specifically, favorable behavioral intentions are correlated with a service provider's power to persuade customers to "1) say positive things about them, 2) recommend them to other consumers, 3) remain loyal to them (i.e., repurchase from them), 4) spend more with the institution, and 5) pay price premiums" (Cronin, Brady and Hult, 2000, pp. 204-205). As expected, there is a close relationship between people who intend to purchase K-pop music products and are willing to recommend these music products to others because of emotional attachment and interest.

CONCLUSION

Music has entered the global scale, so it is not limited by the regional of a country. Music is also part of the culture that binds someone emotionally which causes a linear relationship between attraction and purchasing power. From the data collected and analyzed, the first finding is Indonesian consumers who are inclined to purchase general music have a higher intention of purchasing Korean Pop music is significantly proven to have a positive relationship. The second finding, Indonesian consumers who are interested in Korean music have a higher intention of purchasing Korean Pop music.

The third finding says that Indonesian consumers who often to listening a general music have higher intentions towards purchasing Korean Pop music is not supported. Listening to music has become a habit practiced by many people, but the willingness to make a purchase cannot be measured by how often that person listens to music. Coupled with advances in technology that allows one to listen music without having to make a purchase. Fourth finding, there is a strong and positive relationship between consumer purchase intentions with consumer recommendations towards Korean Pop music products. As stated before, music is part of the emotional and social aspects and sometimes a means of self-actualization. The majority of research respondents would

likely to be recommended their favorite music including Korean Pop music.

References

- [1] B. G. Tabachnick and L.S. Fidell, "Using Multivariate Statistics", Pearson, 7th edition, 2019, pp. 5
- [2] Cronin, J. J., Jr., Brady, M. K., & Hult, G. T. M. "Assessing the effects of quality, value, and customer satisfaction on consumer behavioral intentions in service environments". *Journal of Retailing*, 76(2), 2000, pp.193–218.
- [3] G. Sinclair and T. Green, "Download or stream? Steal or buy? Developing a typology of today's music consumer.", *Journal of Consumer Behaviour*, 15(1), 2016, pp. 3-14.
- [4] H. K. Ochieng and S. Kim, "Cultural Exchange and Its Externalities on Korea-Africa Relations: How Does the Korean Wave Affect the Perception and Purchasing Behavior of African Consumers?", *East Asian Economic Review* Vol. 23, No. 4, 2019
- [5] Huat, C.B. *Structure, audience and soft power in East Asian pop culture: Hong Kong*, 2012.
- [6] J. R. Ogden and K. Long, "Music marketing: A history and landscape", *Journal of Retailing and Consumer Services* 18(2):, 2011, PP. 120-125.
- [7] Kim, Renee B., Je Hyun Lee., Toulany Thavisay. "The Effect Of The Korean Wave On Chinese Consumers' Brand Preferences" *Aktual'Ni Problemy Ekonomiky = Actual Problems In Economics; Kiev Iss.* 192, 2017, pp. 113-119.
- [8] Lee, M., Kim, H.M., Yang, J.H. "The effect of Korean wave (Hallyu) on willingness to purchase Korean Brands in Uzbekistan". *International Commerce and Information Review*, 2015, pp. 149–177
- [9] Li, J.Y., Lee, J.H "An empirical on electronics devices purchasing intention in the Chinese market by Korean wave". *Journal of International Trade & Commerce*, 2014, pp. 289–305.
- [10] M. Frances, "Global Music Report, 2019", IFPI
- [11] M. Matic and B. Puh, "Consumers' Purchase Intentions Towards Natural Cosmetics" in *Ekonomski Vjesnik*, 2016, Vol. 29 Issue 1, pp. 53-64
- [12] N. Wloemert and D. Papias, "On-demand streaming services and music industry revenues - Insights from Spotify's market entry", *International Journal of Research in Marketing* 33(2), 2015
- [13] P. L. Chang and I. H. Lee, "Cultural Preferences in International Trade: Evidence from the Globalization of Korean Pop Culture", *Research Collection School of Economics*. Singapore, 2017.
- [14] W. Ryoo, "Globalization, or the Logic of Cultural Hybridization: The Case of the Korean Wave", *Asian Journal of Communication* 19(2):, 2009, pp. 137-15.

Indonesian Consumer Intention towards South Korean Pop Musi..

ORIGINALITY REPORT

%24
SIMILARITY INDEX

%19
INTERNET SOURCES

%7
PUBLICATIONS

%17
STUDENT PAPERS

PRIMARY SOURCES

1 Submitted to Indian Institute of Management, Bangalore
Student Paper **%9**

2 hdl.handle.net
Internet Source **%5**

3 ChienHsing Wu, Yu-Hui Tao, Yu-Min Lin.
"Repurchase decision for music products in Taiwan: physical versus online media", Digital Policy, Regulation and Governance, 2017
Publication **%2**

4 worldwidescience.org
Internet Source **%2**

5 Submitted to Kennesaw State University
Student Paper **%1**

6 www.emeraldinsight.com
Internet Source **%1**

7 www.forbes.com
Internet Source **%1**

Submitted to CSU Northridge

8

Student Paper

% 1

9

marketingeducators.org

Internet Source

% 1

10

www.mcser.org

Internet Source

% 1

11

www.uwosh.edu

Internet Source

<% 1

12

www.personal.psu.edu

Internet Source

<% 1

13

abfer.org

Internet Source

<% 1

14

Jiwhan Kim, Changi Nam, Min Ho Ryu. "What do consumers prefer for music streaming services?: A comparative study between Korea and US", Telecommunications Policy, 2017

Publication

<% 1

EXCLUDE QUOTES ON

EXCLUDE ON

BIBLIOGRAPHY

EXCLUDE MATCHES

< 10 WORDS