UNDERSTANDING KNOWLEDGE SHARING BEHAVIOR: AN EXAMINATION OF THE EXTENDED MODEL OF THEORY OF PLANNED BEHAVIOR

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ABSTRACT

Knowledge is recognized as one valuable asset for many organizations. Thus, knowledge-sharing is one of important activities in many organizations, including university. Knowledge sharing is defined as activities of transferring or disseminating organizationally relevant information, ideas, suggestions, and expertise with one another. This activity can enhance not only knowledge of the person who owns but also others that are given or transformed the knowledge by that person. Sharing is also one important value for Christian believers as God stated "Give and it shall be given unto you" (Luke 6:38). This research applied Christian values as a moderating variable in the framework of theory of planned behavior. The aims of this research to assess applicability of the theory of planned behavior to predict knowledge sharing and to examine the effects of Christian values in the relationship between attitude and intention to share knowledge. A self-administered questionnaire was used to collect the data for this study. Questionnaires were distributed to respondents by the drop-off/pick-up method and a total of 127 completed questionnaires were used in the analysis. The data was then analyzed using structural equation modeling. Three out of six hypotheses were supported. Those hypotheses are the relationship between attitudes toward knowledge sharing and intention to share knowledge, the relationship between perceived behavioral control and intention to share knowledge, and the relationship between intention to share knowledge and knowledge sharing behavior. This paper also provides discussion and offers directions for future research.

Key words: knowledge sharing, theory of planned behavior, Christian values, faculty
"A wise man has great power, and a man of knowledge increases strength"

BACKGROUND

Knowledge is important. Knowledge is recognized as one valuable asset for many organizations. Thus, knowledge-sharing is one of important activities in many organizations, including university. Knowledge sharing is defined as activities of transferring or disseminating organizationally relevant information, ideas, suggestions, and expertise with one another (Bartol and Srivastava, 2002). This activity can enhance not only knowledge of the person who owns but also others that are given or transformed the knowledge by that person (Halal, 2008; Gurteen, 1999).

Sharing is one important value for Christian believers. A verse from a Holy Bible stated that "Give and it shall be given unto you" (Luke 6:38). God also pointed out that when we give something to other people means that we do something to Him, as verses from Holy Bible stated "For I was an hungered, and ye gave me meat: I was thirsty and ye gave me drink: I was a stranger, and ye took me in: Naked, and ye clothed me: I was sick, and ye visited me: I was in prison, and ye came unto me...Verily I say unto you, *Inasmuch as ye have done it unto one of the least of these my brethren, ye have done it unto me*" (Matthew 25:35, 36, and 40, emphasis added).

There are many researches about knowledge sharing (for examples: Lin, 2007; Yang and Chen, 2007; Yuen and Majid, 2007; de Vries et al., 2006; Burgess, 2005; Bartol and Srivastava, 2002). However, empirical studies regarding the influence of religiosity, especially in Christianity context, on knowledge sharing behavior have been rarely conducted. Therefore, this research applied the theory of planned behavior (TPB) by incorporating Christian values as moderating variable of the relationship between attitude and intention to share knowledge.

Justifications to the research

This research can be justified on these two grounds as follows: (1) the importance of moderating variable for theory contribution, and (2) potential outcomes for practice.

The importance of moderating variable for theory contribution. The research model applied in this research is the extension of the theory of planned behavior (TPB) which was developed Ajzen (1988). The TPB has been applied to various contexts of people behaviors. For example, the TPB was applied in many fields such as organizational behavior (Cordano and Frieze, 2000; Morris and Venkatesh, 2000; Maurer and Palmer, 1999), complain behavior (East, 2000), research dissemination (Breslin et al., 2001), proenvironmental behavior (Oreg & Katz-Gerro, 2006; Cheung et al., 1999; Stern et al., 1995), and purchase behavior (Tarkiainen and Sundqvist, 2005; George, 2002; Dharmmesta and Khasanah, 1999; Kalafatis et al., 1999; Kokkinaki, 1999; Kanler and Todd, 1998; Thompson and Thompson, 1996). This research applied the theory of planned behavior (TPB) by incorporating Christian values as moderating variable of the relationship between attitude and intention to share knowledge as Ajzen (2001; 2005) pointed out the need to understand factors that moderate the effects of attitudes and intentions as follow:

> "Although it is now generally recognized that attitudes are relevant for understanding and predicting social behavior, many question remain. Investigators continued to identify factors that moderate the effects of attitudes and intentions on overt behavior." (2001, p.48)
>
> "From a theoretical perspective, moderating variables can enhance our understanding of psychological processes involved in going from general dispositions to specific actions." (2005, p.69).

This research adds Christian values in the framework of the theory of planned behavior. The adding of Christian values is based on the understanding that the need to integrate faith and work in our daily lives (Riady, 2008). Furthermore, according to several researchers, religion's influence in human behavior remains under researched (Jusmaliani and Nasution, 2009; Lindridge, 2005; Arnould et al., 2005; Wells and Prensky, 1996; Delener, 1994).

Potential outcomes for practices. In practices, researcher hopes this study could offer understanding on factors that influence knowledge-sharing behavior, especially in Christianity context. The understanding of those factors may give inputs to the Christian university to help and maintain their faculty members to conduct knowledge-sharing activities.

LITERATURE REVIEW

Knowledge and knowledge sharing

Knowledge is defined as "a fluid mix of framed experience, values, contextual information, and expert insights that provides a framework for evaluating and incorporating new experiences and information (Davenport and Prusak, 1998 cited by Ipe, 2003). In other words, it can be stated that knowledge refers to the fact or condition of knowing something gained through experience.

There are 12 characteristics of knowledge (Halal, 2008). Those characteristics are : (1) created by anyone, (2) acts as a fluid, (3) organized hierarchically, (4) reduces conflict, (5) changes value, (6) distributed cheaply, (7) increases when shared, (8) transmitted in networks, (9) abhors a vacuum, (10) guided by spirit, (11) unique for individuals, and (12) an infinite resource. As stated before, one characteristic of knowledge is increases when shared.

Knowledge is an intangible asset that increases when shared (Halal, 2008). In other words, the owner of knowledge can duplicate this knowledge and share it with others in return for their knowledge. Both parties would then continue to own their original knowledge, while also having the new knowledge they gained, thereby increasing the total amount of knowledge in use (Halal, 2008, p.6). This leads to the importance of knowledge sharing.

Lin (2007) defined knowledge sharing as a social interaction culture, involving the exchange of employee knowledge, experiences, and skills through the whole department or organization. Other researchers, for example, Bartol and Srivastava (2002) and Lee (2001, cited by Pai, 2006) defined knowledge sharing as activities of transferring or disseminating organizationally relevant information, ideas, suggestions, and expertise with one another. Knowledge sharing presumes a relation between at least two parties, one that possesses knowledge and the other that obtain knowledge (Hendriks, 1999). Furthermore, Hendriks also pointed out that the first party should communicate its knowledge, consciously and willingly or not, in some form or other (either by acts, by speech, or in writing, etc.). Then, the other party should be able to perceive these expressions of knowledge, and make sense of them (for example, by imitating the acts, by listening, by reading the book, etc.).

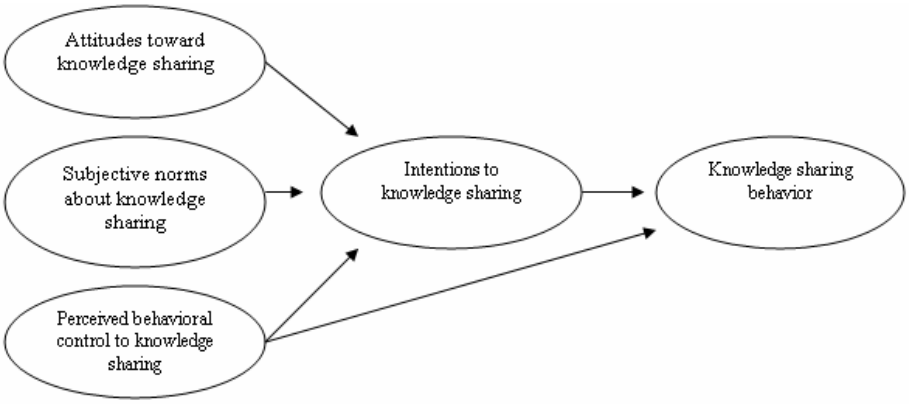
This research applied TPB in understanding knowledge sharing. The reason is because TPB as a comprehensive theory in understanding human behavior (Cheng, Lam, and Hsu, 2006). Furthermore, the

accumulated evidence shows that TPB is useful in explaining human behavior (e.g., Oreg and Katz-Gerro, 2006; Tarkiainen and Sundqvist, 2005; George, 2002; East, 2000; Dharmmesta and Khasanah, 1999).

The theory of planned behavior (TBP)

The theory of planned behavior is a general, parsimonious model that can predict a range of behavior (Corner and Abraham, 2001). The theory is an extension of the theory of reasoned action (TRA; Azjen and Fishbein, 1980). The TPB is made necessary by the original model's limitations in dealing with behaviors over which people have incomplete volitional control (Ajzen, 1991). Briefly, the theory postulates that individual's action is influenced by behavioral intention. Behavioral intention is determined by three factors: attitude toward the behavior, subjective norm, and perceived behavioral control (Figure 1). Attitude is defined as people's overall definition of their performing behavior. Subjective norms refer to people's perception of social pressure to perform the behavior. Perceived behavioral control measures how well a person can execute the behavior (Ajzen, 1991).

Figure 1. Theory of planned behavior



Source: Ajzen (1988,p.133)

This research extended theory of planned behavior by adding Christian values as antecedent of attitude toward knowledge sharing.

Values and Christian values

Despite value is one important construct in social science research, there is no consensus in the literature about the definition of value (Lombaert, 2003). According to Lombaert (2003) when he examined 4000 articles on values, about 170 definitions of word value emerged. Furthermore, Lombaert also pointed out that value is a vague term which refers to a fundamental aspiration of the human person for living a society. Another researcher, Zetterberg (1998) also pointed out that the term "value" has many meanings. For example, the term value in market research can be associated with "value for money" and "consumer values".

According to Rokeach (1986), values are defined as a type of belief about how one ought or ought not to behave. The concept of value is one important variable to human life because values influence all aspects of human life (Rokeach, 1973 cited by Wang et al., 1994). Beatty et al. (1988, cited by Wang et al., 1994) also pointed out that values provide clues about how society operates. This is because values are individual's depiction of a society's goals.

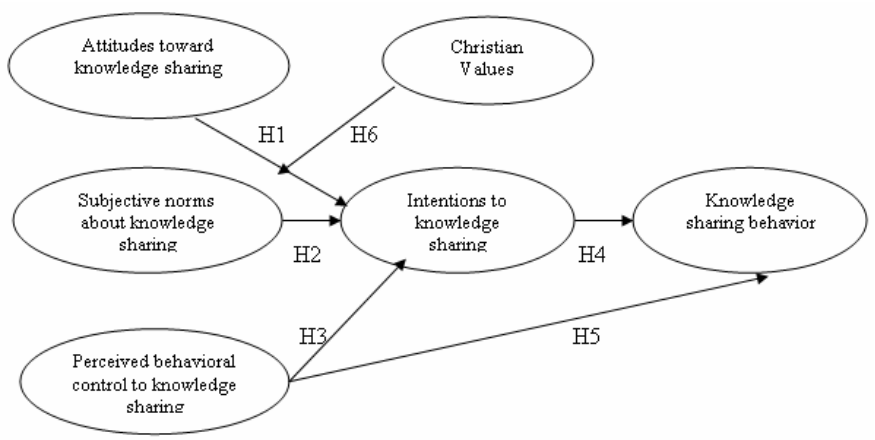
Hofstede (1994) stated that values are among the first children learned. Since the age of 10, most children have their basic value systems. Values are acquired through the family and neighborhood and later through school (Karahanna et al., 2005). Furthermore, values are stable through generation (de Mooij, 2004; Lombaert, 2003; Hofstede, 1994). In other words, it is likely that the same individual will be consistent in his or her response to a situation. Furthermore, Zetterberg (1998) stated that values are more lasting than attitudes.

There are five important features of values (Smith and Schwartz, 1997, cited by Chan, 2009, p.323). First, values are beliefs. However, values are not objective and cold ideas. Values are activated which they become infused with feeling. Second, values refer to desirable goals. Third, values transcend specific actions and situations. Fourth, values serve as standards to guide the selection or evaluation of behavior, people, and events. Fifth, values are ordered by importance relative to one another. The ordered set of values forms a system of value priorities.

This study used Christian values as a moderating variable in the relationship between people's attitude toward knowledge sharing and intention to share knowledge (Figure 2). Therefore, the sources and definitions of Christian values must be identified. On the other hand, there is no single course on which all agree (Lombaerts, 2003; Scaperlanda, 1993). Lombaert (2003:1) stated that Christian values can be defined as viewpoints or principles which help to discern the Christian value of (way of valuing) the various aspect of life. The Holy Bible (both the Old and the New Testaments) is the source of Christian values. This research applied a list of ten values or principles for living that are emphasized most strongly in the Bible (hhtp://www.christianbiblereference.org/index.htm). Those values are: (1) worship only God (Mark 12:30), (2) respect all people (Mark 12:31), (3) be humble (Matthew 5:7), (4) be honest (Ephesians 4:25), (5) live a moral life (1 Corinthians 6:19-20), (6) be generous with time and money (Luke 6:38), (7) practice what you preach, don't be a hypocrite (Matthew 23:28), (8) dont'be self-righteous (1 John 1:8), (9) don't hold a grudge (Matthew 5:39), and (10) forgive others (Matthew 6: 14-15).

There are several reasons why Christian values as a moderating variable and not as an antecedent of people attitude toward knowledge behavior. First, though value is the most abstract of the social cognition (Homer and Kahle, 1988), this research applied specific values, that is, Christian values which should affect in daily life of Christian believers. The second reason is that value can be one factor that interacts with other factors to influence people behavior. Empirical evidence shows that values can be treated as a moderating variable (Ismail et al, 2009a; Ismail et al., 2009b).

Figure 2. The research model



Source: developed for this research

Based on the research model above, six hypotheses can be stated as follows:

H1: There is a positive relationship between Christian values and attitudes toward knowledge sharing.
H2: There is a positive relationship between attitudes toward knowledge sharing and intentions to share knowledge
H3: There is a positive relationship between subjective norms regarding knowledge sharing and intention to share knowledge.
H4: There is a positive relationship between perceived behavioral control and intention to share knowledge.
H5: There is a positive relationship between intention to share knowledge and knowledge sharing behavior.
H6: Christian values moderate the relationship between attitude and intention to share knowledge.

Research Method

Measurement. Constructs in the theory of planned behavior were adapted from Lin and Lee (2004) and Lin (2007) and Christian values were adapted from Christian reference (hhtp://www.christianbiblereference.org/index.htm).

Attitude toward knowledge-sharing. Four items will be used to assess attitude toward knowledge-sharing. Those items are as follows: (1) encouraging knowledge-sharing with colleagues is an important component of the policy of my university, (2) encouraging knowledge-sharing with colleagues is a good idea, (3) encouraging knowledge-sharing with colleagues is valuable, and (4) encouraging knowledge-sharing with colleagues is beneficial

Subjective norms. Subjective norms will be measured through two items as follows: (1) my supervisor influences my decision think that I should share knowledge with colleagues, and (2) my colleagues influence my decision think that I should share knowledge with them.

Perceived behavioral control. Perceived behavioral control will be assessed through three items as follows: (1) my past experience has increases my confidence in my ability to make decisions encouraging employees to share knowledge with colleagues, (2) encouraging knowledge sharing with colleagues is within my control in my university, and (3) I am always likely to share knowledge.

Intention. Intention will be measured by using three items as follows: (1) I will try to share knowledge with my colleagues, (2) I plan to share knowledge with my colleagues, and (3) I intend to share knowledge with my colleagues.

Sharing behavior. Sharing behavior is a self-stated rather than observed. Respondents indicated, on a 5-point scale (never-always), the extent to which they share knowledge with their colleagues. Three indicators were used to represent the variable. Those indicators such as follows: (1) I share knowledge obtained from education with each other, (2) I share knowledge obtained from training with each other, and (3) I share knowledge obtained informally (such as issues and new stories) with each other.

Christian values. Christian values were assessed through ten items. Examples of the Christian values are: (1) worship only God, (2) respect all people, (3) be humble, and (4) forgive others.

Survey. A self-administrated questionnaire was used to collect data. The questionnaire was pre-tested in order to uncover biased or ambiguous questions before they are administered at large (Sekaran and Bougie, 2010). In this research, the pretesting involved a group of respondents selected on a convenience basis (Sekaran and Bougie, 2010). A total of 20 sets of questionnaires were distributed to full-time and part-time lecturer. The instrument then was refined after pretesting. Based on Azwar (1999), several indicators of research constructs were dropped because of the corrected item-total correlation was below 0.30. Then, item-total statistics were again computed to achieve value greater than 0.3. The reliability of each construct was as follows: Christian values = 0.922; attitude toward knowledge sharing = 0.895; subjective norms about knowledge sharing = 0.765; perceived behavioral control = 0.781; intentions to knowledge sharing = 0.874; and knowledge sharing behavior = 0.937. All the values were above 0.7, exceeding the common threshold values recommended by Hair et al. (2006).

Sample and questionnaire administration. Data was collected over a month period, using a convenience sample of 200 full-time and part-time faculty members in a private university. This research followed Hair et al. (2006, p.741) which recommended sample size is 200, which provides a sound basis for estimation.

Analysis Data. A structural equation modeling was used to test the relationship between constructs. This method was used because SEM has ability to assess the relationships comprehensively (Hair et al., 2006). Maximum likelihood (ML) was applied as an appropriate estimation method in this research. The major reason was the method is robust to violation of the normality assumption (Tabachnick and Fidell, 1996). However, on non-normal data, χ^2 and standard error cannot be trusted (Bagozzi and Baumgartner, 1994). Therefore, the ML estimation applied in this research used χ^2 adjusted which termed as CMIN/DF (Steenkamp and Van Trijp, 1991). For the overall fit of the model, this research several indices such as CMIN/DF, GFI, AGFI, and RMSEA as suggested by Giles (2002).

RESULTS

Response rate. A total of 200 questionnaires was distributed and collected from full-time and part-time lecturers in a private university. Of these, 127 samples can be used for further analysis, which constitutes a 63.5 per cent usable response rate.

Reliability and validity assessments. In assessing the psychometric properties of the instrument, issues of reliability and validity have been considered. First, reliability analyses were conducted. Table 1 shows the reliability of the measures. According to Hair et al. (2006), the generally agreed upon lower limit for Cronbach's alpha is 0.70. The reliability (i.e., Cronbach's Alpha) of the scales of all variables ranged from 0.776 to 0.935, proving evidence of internal consistency of the measures.

Table 1. Construct reliability

Construct	Items	Cronbach alpha	Corrected Item-Total Correlation
Attitudes		0.776	
	ATT1. Encouraging knowledge sharing with colleagues is a good idea.		0.643
	ATT2. Encouraging knowledge sharing with colleagues is valuable.		0.643
Subjective Norms		0.875	
	SN1. My supervisor influences my decisions that I should share knowledge with colleagues.		0.714
	SN2. My colleagues influences my decisions that I should share knowledge with others.		0.837
	SN3. Those who are important to me influence my decisions that I should share knowledge with colleagues.		0.730
Perceived Behavioral Control		0.903	
	PBC1. I have the resources in sharing knowledge with colleagues.		0.823
	PBC2. I have the abilities in sharing knowledge with colleagues.		0.823
Intentions		0.921	
	IN1. I plan to share knowledge with my colleagues.		0.854
	IN2. I intend to share knowledge with my colleagues.		0.854
Behaviors		0.903	
	BEH1. My colleagues in my university share knowledge obtained from their education.		0.825
	BEH2. My colleagues in my university share knowledge obtained from their training.		0.825
Christian Values		0.935	
	CV1. Worship only God.		0.939
	CV2. Respect all people.		0.924
	CV3. Be humble		0.924
	CV4. Be honest.		0.926
	CV5. Live in a moral live.		0.925
	CV6. Be generous with time and money		0.926
	CV7. Practice what you preach; don't be hypocrite.		0.926
	CV8. Don't be self-righteous.		0.932
	CV9. Don't hold a grudge.		0.928
	CV10. Forgive others.		0.927

Source: analysis of field data

Having done the reliability tests, a factor analysis was run using Varimax rotation. Each scale was subjected to exploratory factor analysis loading on the dominant factor (at least 0.50) with a sum of the items in

the factor explaining more that 50 per cent of the factor's variance (Table 2). Based on Gerbing and Anderson (1988), confirmatory factor analysis (CFA) using maximum likelihood estimation procedures was performed for measure validation. Table 3 shows that the results indicate acceptable model fits. Table 3 also shows that all items significantly load on their corresponding constructs, demonstrating adequate convergent validity.

Table 2. Exploratory Factor Analysis

	Factor 1	Factor 2	Factor 3	Factor 4	Factor 5	Factor 6
Attitude1						0.801
Attitude2						0.819
Subjective Norm1		0.862				
Subjective Norm2		0.928				
Subjective Norm3		0.872				
Perceived Behavioral Control1					0.917	
Perceived Behavioral Control2					0.892	
Intention1			0.919			
Intention2			0.895			
Behavior1				0.944		
Behavior2				0.931		
Christian value1	0.566					
Christian value2	0.813					
Christian value3	0.832					
Christian value4	0.814					
Christian value5	0.855					
Christian value6	0.853					
Christian value7	0.826					
Christian value8	0.705					
Christian value9	0.830					
Christian value10	0.811					

Source: analysis of field data

Table 3. Confirmatory factor analysis

Item	Standardized loading	Critical Ratio (CR)
Attitude		
ATT1	0.906	
ATT2	0.716	7.030
Subjective Norm		
SN1	0.770	
SN2	0.960	10.220
SN3	0.790	9.486
Perceived Behavioral Control		
PBC1		
PBC2	0.873	
Intention	0.943	0.879
IN1		
IN2	0.867	
Behavior	0.985	11.053
BEH1		
BEH2	0.860	
Christian values	0.960	5.894
CV1		
CV2	0.587	
CV3	0.860	7.205
CV4	0.852	7.168
CV5	0.827	7.068
CV6	0.826	7.037
CV7	0.850	7.146
CV8	0.777	6.796
CV9	0.677	6.191

CV10	0.709 0.738	6.392 6.570
Goodness-of-fit statistics of the model ?^{2} = 206.884 Goodness-of-Fit Index (GFI) = 0.877 Comparative Fit Index (CFI) = 0.978 Root Mean Square Error of Approximation (RMSEA) = 0.044		

Source: analysis of field data

In order to provide support for discriminant validity, Pearson product-moment correlations among the study variables were computed. For this purpose, composite scores for each dimension were calculated by averaging scores representing that dimension. Table 4 provides the full set of correlations among the constructs of interest in this research. The highest correlation occurred between attitude toward knowledge sharing and intention to do knowledge sharing (0.467) and reversely, the lowest correlation was found between Christian values and subjective norms regarding knowledge sharing (-0.39). The results provide support for the discriminant validity of the scale (Anderson and Gerbing, 1988).

Table 4. Correlations among constructs

Construct	1	2	3	4	5	6
1. Attitude	1					
2. Subjective norms	0.184*	1				
3. Perceived behavioral control	0.434**	0.107	1			
4. Intention	0.467**	0.098	0.338**	1		
5. Behavior (knowledge sharing)	0.006	0.096	-.090	0.229**	1	
6. Christian values	0.275**	-.039	0.302**	0.183**	0.096	1

Source: analysis of field data

Hypotheses testing results. Structural equation modeling was applied to estimate parameters of the structural model. The results show that the overall acceptability of the overall model was acceptable. Furthermore, most path coefficients were significant at the 0.05 significance level (Table 5).

Table 5. Structural Model Results

Hypothesized Relationship	Estimate	C.R.	Conclusion
H1. Attitude toward knowledge sharing → intentions to knowledge sharing	0.408	2.880	Supported
H2. Subjective norms about knowledge sharing → intentions to knowledge sharing	0.060	0.821	Not Supported
H3. Perceived behavioral control to knowledge sharing → intentions to knowledge sharing	0.196	2.362	Supported
H4. Intentions to knowledge sharing → knowledge sharing behavior	0.347	3.754	Supported
H5. Perceived behavioral control to knowledge sharing → knowledge sharing behavior	-0.185	-2.000	Not supported (different direction)
H6. Christian values * attitude → intention to share knowledge	0.050	0.350	Not Supported
Goodness-of-fit statistics of the model			

?^{2} = 4.102 Goodness-of-Fit Index (GFI) = 0.989 Comparative Fit Index (CFI) = 0.926 Root Mean Square Error of Approximation (RMSEA) = 0.054			

Source: analysis of field data

The first hypothesis predicted a positive relationship between attitude and intention to share knowledge. The results substantiated the hypothesis (CR = 2.880). The second hypothesis predicted a positive relationship between subjective norms about knowledge sharing and intentions to share knowledge. Contrary to expectations, the results did not substantiated the hypothesis (CR = 0.821).

This research proposed that there was a positive relationship between perceived behavioral control and intention to share knowledge (hypothesis three). The result substantiated hypothesis three (CR = 2.362). Then, the fourth hypothesis proposed a positive relationship between intention to knowledge sharing and knowledge sharing behavior. The results supported the hypothesis (CR = 3.754). The fifth hypothesis stated that there was a positive relationship between perceived behavioral control to knowledge sharing and knowledge sharing behavior. Table 5 showed that this hypothesis was not substantiated because the relationship yielded a standardized path coefficient of -0.265 (CR = -2.000). In spite of its statistical significance, this result does not support hypothesis 5. Finally, the six hypotheses proposed that Christian values moderate the relationship between attitude and intention to share knowledge. However, the result did not substantiated the hypothesis (CR = 0.350).

DISCUSSION

The objective of the present study was to extend and apply the theory of planned behavior to examine knowledge sharing behavior. The present study confirms that attitude affect intentions to knowledge sharing. Intention also affects knowledge sharing behavior. This study also confirms the relationship between perceived behavioral control and intention to share knowledge.

However, there were three hypotheses that were not supported in this research. Those hypotheses were the positive relationship between subjective norms regarding knowledge sharing and intention to share knowledge, the positive relationship between perceived behavioral control and knowledge sharing behavior, and Christian values moderate the relationship between attitude and intention to share knowledge.

No relationship between subjective norms and behavioral intention was found in this study. Therefore, respondents' intention to share knowledge was not related with perceived social pressure from important referents. The finding was inconsistent with previous studies that applied TPB in understanding knowledge sharing behavior (e.g., Lin and Lee, 2004). The inconsistency of the research could be a reflection of nature of the study sample. Specifically, this research used faculty members in a private university as study respondents. Based on exploratory research, this study found that two relevant referents for this study are head department and colleagues. However, findings from descriptive statistics show that head department was not considered as person that can affect respondents' intention to share knowledge (Table 7). According to Leenders (2002, cited by Cheng et al., 2006), the more frequent and intense the communication is between and individual and his or her important others, the more likely it is that an individual will adopts the beliefs from them. However, because of more management load and teaching load for the head department may result in infrequently contact or talk with faculty members. Table 6 also show that colleagues and others perceived important referents for the respondents were also not really considered as person that can affect respondents' intention to share knowledge.

Table 6. Descriptive statistics for indicators of subjective norms

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
NS1	127	1.00	7.00	4.1969	1.65730
NS2	127	1.00	7.00	4.5276	1.65149
NS3	127	1.00	7.00	4.7402	1.70533
Valid N (listwise)	127				

Legend: NS 1 (head department)
NS2 (colleagues)
NS3 (all important people)
Source: analysis of field data

This study shows that perceived behavioral control was significantly related to knowledge sharing behavior, however, in a different direction (i.e., negative direction). In other words, the higher the perceived behavioral control, the lower knowledge sharing behavior.

Perceived behavioral control refers to people's appraisal of their ability to perform the behavior. The estimated standardized coefficient for the relationship between perceived behavioral control to knowledge sharing and knowledge sharing behavior was -0.195 (CR= -2.034). This indicates that the higher their ability to perform the behavior (that is knowledge sharing), the lower their behavior to share knowledge. This is may be because the context of the research: knowledge sharing. Again, as stated before, knowledge is important, as an old maxim states that "Knowledge is power." In other words, some people may not share their knowledge because they think that knowledge should be for them.

Christian values were also found not as a moderating variable in the relationship between attitude and intention to share knowledge. In other words, Christian values do not interact with attitude in affecting intention to share knowledge. However, one study by Sihombing (2009) found that Christian values does affect attitude toward knowledge sharing. Therefore, Christian values are best treated as an antecedent variable rather than a moderating variable.

CONCLUSIONS AND LIMITATION

The main objectives of this study are to test the theory of planned behavior in the context of knowledge sharing and then understand the moderating role of Christian values in the relationship between attitude and intention to share knowledge. The results showed those lecturers' attitudes toward knowledge sharing also significantly impacted behavioral intention. The results also show that another factor which impact intention to share knowledge is perceived behavioral control. Then, behavioral intention significantly impacted knowledge sharing behavior.

However, there are three hypotheses which are not substantiated in this research. First, subjective norms about knowledge sharing and perceived behavioral control to knowledge sharing did not significantly influence lecturers' behavioral intention. Second, this research found that perceived behavioral control to knowledge sharing significantly impact knowledge sharing behavior in a different direction. In other words, it was expected the relationship between perceived behavioral control and knowledge sharing was positive. However, the result of this research pointed out that the direction was negative and significant. Third, this research also found that Christian values did not moderate the relationship between attitude and intention to share knowledge.

Finally, there are two main limitations of this study. First, this research used self-reports of sharing knowledge were obtained, rather than actual sharing knowledge behavior. Second, this research tests the fit of the model within a single university.

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SOME EVIDENCE OF INTERNATIONALIZATION THEORIES

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ABSTRACT

This paper presents various theories, models and approaches of firm's internationalization processes. The purpose of this survey is to introduce and to discuses two internationalization theories (economic theories and behavioral theories) and their models and approaches. Method in this enquiry is based on secondary data such as articles, books, reports and internet. Scholars attempt to present some evidence suggestive of internationalization orientation based on environmental situations. The internationalization orientation of firms looks for the ways which can enter to foreign markets very fast and profitable. Nowadays, firms are internationalizing very fast than before, therefore, there is need to internationalization theories provide practical guidance much more critical than before. Although, today firms in all sizes go to the international arena in different ways than previous years. Present study has surveyed various theories of firm's internationalization such as economic theories and behavioural theories that can present guideline to firms those tend to enter to foreign markets. However, recently due to important role of behavioural theories caused researchers have focused towards these theories.

Keywords: *Internationalisation theories, behavioural theories, economic theories, Knowledge.*

INTRODUCTION

Internationalisation is the strategy which has been expanded during the second half of the twentieth century. Some theories of internationalisation have rooted in industrial organisation and economics area. Traditional theories are investigated in terms of psychic distance limitation, the speed of internationalisation, the range of entry modes adapted and so on. Firm's internationalisation processes have utilized the theme of vast research in the range of international marketing (Madsen, & Servais, 1997). Internationalisation is as the process of increasing involvement in international operations (Holmlund, Kock & Vanyushyn, 2007). Internationalisation also refers to the degree of firm's sales revenue or operations are managed in foreign countries. Firm internationalisation has the role of determining factor of export performance literature as organisational variable.

Firm internationalisation has become a great accepted research topic and has been receiving a great consideration from many researchers (Elango & Pattnaik, 2007). Present study explains various theories of firm's internationalisation and related models and approaches. It begins with review of firm internationalisation literature and continues development of internationalisation theories which to describe all models and approaches underline of these theories and also conclusion at the end.

REVIEW OF FIRM INTERNATIONALIZATION LITERATURE

Success of firms in entering new foreign markets is more related to its relationships in current domestic and international markets, than chosen market and its cultural characteristics. For example, firms can moved from domestic to foreign markets by existing relationships which suggest communication and help to expand new partners and positions in new markets (Johanson & Mattsson, 1988).

Previous literature about internationalisation of the small firms has shown positive effect of relationship between export development and economic growth in developing countries. Literature on the firm's internationalisation has revealed small firms in their attempt to enter to foreign markets face with a number of barriers. These barriers include both internal and external factors, for example: small business face lack financial resources, management and marketing skills, previous export experience and export knowledge, lack of command of foreign language, cultural experience, poor knowledge of foreign market information, and fright of foreign market risks (psychic distance) and so on. External inhibitors include; financing problems, technical obstacles, and inconvenient export methods (Moini, 1997).

Research on the internationalisation of the SME_s has illustrated that social networks can help the internationalisation processes of the SME_s to go international rapidly and profitably (Zhou, Wu, & Luo, 2007). Internationalisation in SMEs has a challenging in the literature, because it is a complex phenomenon which

engage some mediate stages which indirect impact firm performance. Previous literature on internationalisation of the big firms and in the internationalisation processes has shown that knowledge of foreign market opportunities is commonly acquired by way of existing interpersonal links rather than collected systematically by way of market research (Ellis, 2000). Lately, attention of the foreign market entry research driven of analysis of moved from exporter towards the buyer-seller relationship (Kale & Barnes, 1992; Kaleka, Piercy & Katsikeas, 1997) or the cross-border distribution channel (Ellis, 2000).

DEVELOPMENT OF INTERNATIONALIZATION THEORIES

This section explains about various aspects of different categorize of theories, and models of internationalisation. Ruzzier, Hisrich, & Antoncic, (2006), have described internationalisation research started in the late 1950s and 1960s and it focused on large multinational companies and their international activities are named the economic approach; bring about a vast body of theoretical and empirical data. Some of main theories in internationalisation of multinational enterprises (MNEs) comprise: Internationalisation theory, Transaction cost theory, Eclectic paradigm, and Monopolistic advantage theory. These theories are the dominant methods in MNE study, explanation of internationalisation and monopolistic advantage theories have been explained in below and explanation of others have set in the convenient section.

INTERNATIONALIZATION THEORY

It focuses on the firm aim to develop own internal markets whenever transactions can be made at a lower cost in the firm and will continue till the benefits and costs of more internationalisation are equated to the margin (Buckley& Casson, 1993). Internationalisation is related to a form of vertical integration that brings new activities and performance, previously performed by mediatory markets, under the government and ownership. Internationalisation of transactions in foreign countries leads to the creation of the multinational enterprise (Ruzzier, Hisrich& Antoncic, 2006).

MONOPOLISTIC ADVANTAGE THEORY

Monopolistic advantage theory believed that MNEs exist because a firm has unique sources of preference over foreign firms in their markets. The benefits are related to the MNE and it cannot gain by other firms. One of monopolistic benefit is superior ability, argued that MNEs have superior knowledge, as resulted in superior manufacturing processes, brand names, differentiated products, organisational talents, or patented technology. This theory argues that once a firm expands this superior knowledge, then it can use this benefit in foreign countries without extra cost over that of using this benefit in home market. Cause, native contractors have to pay the full cost for development of this knowledge, because they cannot to compete with foreign firm despite their benefit in home market knowledge (Ruzzier, Hisrich& Antoncic, 2006).

Rutashobya& Jaensson, (2004) in their study have explained that there is a number of theories have tried to stated why, when, where, and how firms engage themselves in international business. These theories are named Economic and Behavioural theories. This study explains some of recent and traditional theories in the internationalisation literature in below:

ECONOMIC THEORIES

These theories explain why trade takes place between nations to theories of the firm that explain the economic logic of going international. It includes:

THEORY OF GROWTH

It draws heavily from industrial and international economics. Luostarinen, (1979) uses basic constituents of Penrose, (1995) perspective on growth to explain internationalisation of the firm. Economic basis state that one of the ways firms try to obtain growth is through internationalisation. Therefore, this growth is important motivation force in corporate internationalisation (Rutashobya& Jaensson, 2004).

PRODUCT LIFE CYCLE (PLC) APPROACH

Product life cycle has explained firm internationalisation (Vernon's, 1979), which is situation of new products that starts in several developed countries to take benefit of high domestic request, before investments can start in other moderate-income countries. At other stage, after standardize of products, the less developed countries suggest competitive benefits as product situation through foreign direct investment. This model is firm special and product special (Rutashobya& Jaensson, 2004).

BEHAVIOURAL THEORIES

These theories have their roots in business administration, and they focus on the managerial decisions of the individual firm or the owner manager. It includes:

TRANSACTION COST ECONOMIC (TCE) APPROACH

It explains the behaviour of multinational enterprises, and their preference for hierarchical to market exchange transactions. Williamson, 1975, 1985, identified three key conditions of transactions that affect choice of governance mode: asset specificity, frequency and size of transaction, and uncertainty. It considers reduction cost, to identify a governance mode/market entry mode in foreign markets. Consideration of risks and uncertainties distant markets or culturally different markets, cause, firms go to internalize exporting activities or negotiations with foreign markets. TCE states the behaviour of multinational enterprises, and their priority for hierarchical to market exchange negotiations.

Stage Models of Internationalisation have suggested two primary stage models include: The Uppsala Internationalisation Model and the Innovation-related Model (Ruzzier, Hisrich& Antoncic, 2006).

UPPSALA MODEL (U-MODEL)

It is important in internationalisation process and for classifying firms based on their degree of internationalisation (Ellis, 2000) that is valid for any size of firms (Andersen, 1993; Elango& Pattnaik, 2007). This model claims that internationalisation is an incremental process, and explains it through the progression of increasing experiential knowledge (Eriksson, Johanson, Majkgard, & Sharma, 1997). The core idea behind this process model is the interaction of two elements, namely, the development of knowledge of international operations and the increasing tendency for organisations to commit to international operations. Exposure to international operations leads to greater development of knowledge about foreign operations, leading to further increases in obligations to such operations, and so on (Johanson & Vahlne, 1977; Elango& Pattnaik, 2007).

The Uppsala process model of internationalisation or the stage model describes firms' internationalisation as an incremental, step-by-step process. A firm will start as a low commitment exporter to commitment exporter as it gains international marketing knowledge and experience of foreign markets and overcomes the psychic distance phenomenon (Johanson& Vahlne, 1990; Rutashobya& Jaensson, 2004). The stage model, firms will export to geographically close markets before venturing into distant and culturally different markets (Luostarinen's, 1979; Rutashobya& Jaensson, 2004). There is empirical support for Uppsala model (Eriksson, Johanson, Majkgard, & Sharma, 1997; Chetty& Eriksson, 2002; Hohenthal, Johanson, & Johanson, 2003).

Johanson& Vahlne, (1990) have stated, there are several shortcomings of the Uppsala model. First, firms are reactive and disregarding managerially proactive or risk-taking behaviour. Second, it cannot present views to international development with extensive internationalisation experience. Finally, it only focuses on the early stages of internationalisation and its development in internationalisation processes (Sharma& Blomstermo, 2003; Knight& Cavusgil, 2004; Elango& Pattnaik, 2007).

INNOVATIO MODEL (I-MODEL)

Innovation model is important in internationalisation process and for classifying firms based on their degree of internationalisation. It explains internationalisation behaviour of firms. In this case, exporting is as an innovation and internationalisation is considered to take a gradually process. It explains that how firms start from non-exporting to obligated exporters. Lack of experience of psychic distance and foreign markets are minimized slowly through a gradually and gradual obligation to more foreign association and experiential learning (Bilkey, & Tesar, 1977; Cavusgil, 1980; Czinkota, 1982; Reid, 1981; Ellis, 2000; Rutashobya, Jaensson, 2004)). It is limited for small or mid-sized firms (Andersen, 1993; Elango& Pattnaik, 2007). These two models are similar, however, both are behavioural in nature and in experiential knowledge is an important factor in the internationalisation process (Erikkson, Johanson, Majkgard& Sharma, 1997).

THE RESOURCE-BASED PERSPECTIVE

It ownership advantages in the sense of organisational capability and capability of the entrepreneur, accessibility of a change agent, export marketing knowledge and experience, market information, business and social networks are important drivers of internationalisation (Penrose's, 1995; Rutashobya& Jaensson, 2004).

The Eclectic, Born Global and Network perspective are recent behavioural theories of internationalisation.

ECLETIC MODEL

It explains the existence of multinational corporations, and what drives their expansion and growth. It is based on three propositions related to location specific advantage, ownership advantage and internationalisation advantages (Dunning, 1981, 1997). Dunning considered that multinational corporation has these three kinds of benefits cause their multinational nature of their activities; they boast to tangible and intangible assets of their asset ownership. They have to benefits and can internalize activities with competence. Select of foreign market

entry mode will be impacted by these three variables. This model can be limited to small firm internationalisation (Rutashobya& Jaensson, 2004). Styles& Seymour, (2006), in their study have added Economic Model to U-Model and Network Model. It is as brought together in Dunning's eclectic paradigm (Dunning, 1993).

THE BORN GLOBAL

All theories that mentioned above have been criticized for giving direction in describing firms that jump over or firms that right from the beginning go global (Fletcher, 2001; Tornroos, 2002; Rutashobya& Jaensson, 2004). Progression in information and communication technology (ICT), transportation and other foundation has made it possible for business to go global very fast without following the processes of internationalis ation based on traditional models. The Born-Global view has recently entered in the internationalisation literature and some researchers have already noticed to it. (Johanson& Mattsson, 1988; Rutashobya& Jaensson, 2004).

NETWORK MODEL (N-MODEL)

Elango& Pattnaik, (2007) in their study, have added network model to the U-model and I-model of the process of internationalisation (Hakansson, 1982; Johanson& Mattsson, 1987, 1988; Easton, 1992). Among these theories, the Network perspective has enjoyed the most attention from the small businesses internationalisation. It can provide an interesting opportunity in concept of entry to foreign markets by small businesses. It has assumed that internationalisation is a stage that occurs through networks of relationships.

Based on this model, firm internationalisation means establishing and developing positions in relationship with other partners in a foreign network. In network view, firm internationalisation may be characterized by need to reduce of need for knowledge development, reduce of need for adaptation and using based network positions. Theoretical views derived by networks comprise not only the various kinds of relationship but also matters like as trust, resources, control and mutual dependent within and between firms (Johanson& Mattsson, 1988). Human variables, social capital and trust play an important role in binding individual firms or entrepreneurs to value adding relationships, which they can overcome the problem associated with unfamiliar markets and psychic distance.

They enable decrease their defects of separation and smallness. Styles& Seymour, (2006), have stated, this model characterized by multi-polar distributions of power and control (Johanson &Mattsson, 1988; Turnbull & Valla, 1986). It is related to influence of external network members of firm internationalisation. Johanson& Mattsson have considered two needs for network methods in the internalization processes, need for gradual, development of market knowledge and need to learn from other firms in the network. By this model firms can internationalises through gradual expansion of new situations, increasing resources commitments and coordination through networks. Business relationships between partners are inserted in the social relationship between them (Larson, 1992; Harris& Wheeler, 2005; Elango& Pattnaik, 2007). There is empirical support for Network model (Welch& Luostarinen, 1993; Chetty& Holm, 2000; Hadley& Wilson, 2003).

CONCLUSIO To date, firm's internationalisation has been benefited of the great attention by scholars and has also become a central theme of discussion. In the reason of better understanding of different theories of firm's internationalisation as a guideline based on firm's needs to chose one way to enter to foreign markets and international arena. Firms based on their capabilities can decide for international business activities. According to review of past researches, some of the gradual approach under behavioural theory such as Uppsala model faced with some challenges and obstacles that scholars have criticized to these models and seek for another models that can go to foreign markets very fast such as born global. By this way firms can internationalise the early days after establishing. Recently, some researchers have focused on network model that has been faced on vast attention of internationalising firms in different kinds of long term relationships between firms in various countries. An important contribution of this model is its focuses on social relationships between individuals that have influential affect on the internationalisation because close social relationships impact the likelihood of doing business in foreign countries.

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ETHNICITY, CONSUMER ANIMOSITY AND PREFERENCES: THE CASE OF STUDENTS IN PENANG

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ABSTRACT

The importance of the concept of consumer animosity in the field of international research is increasingly. This study aims to test the significant differences between ethnic groups on their consumer animosity and their preferences towards different product categories-brands' countries of origin associations. Therefore, measurements that measure consumer animosity towards European countries, Singapore and USA that fit in Malaysia context were developed. The samples of this study were students in Penang and the sampling method was convenience sampling. Usable responses were 255 responses. SPSS version 17 was used to analyze data. The results of this study revealed that consumers with different ethnic groups displayed significant differences on consumer animosity and their preferences towards different product categories-brands' countries of origin. These findings brought some insights to market practitioners, where marketers of domestic and foreign brands are encouraged to take ethnicity, consumer animosity and product category in their consideration when designing marketing programmes. Research contributions, limitations and suggestions for future studies were discussed.

Keywords: Consumer animosity, Ethnicity, Brand' country of origin, Students in Penang, Preferences towards different product categories-brands' countries of origin associations

INTRODUCTION

The economy of Malaysia record one of Asia's best, while Malaysia's per capita GNP reached US$3,640 in 2001 (Naguib & Smucker, 2009). Malaysia is a multiracial country with the total population of Malaysia of 28.31 million in 2009 (Department of Statistics Malaysia, 2010). There are three major ethnic groups in Malaysia, with the largest group of Malay and other indigenous people (65.1%), followed by Chinese (26%) and Indian (7.7%) (Selvarajah & Meyer, 2008). This study seeks to test the significant differences between ethnic groups on their consumer animosity and preferences towards different product categories-brands' countries of origin among students in Penang.

LITERATURE REVIEW

Consumer animosity

Consumers might avoid products from the offending nation because of exporting nation has engaged in military, political, or economic acts, which consumers difficult to forgive, where Klein et al. (1998) regarded this as consumer animosity, which relate tensions between nations to consumers' buying behaviour (Riefler & Diamantopoulos, 2007).

Consumer animosity a construct different with consumer ethnocentrism, a construct that introduced by Shimp & Sharma (1987) that refers to the belief held by consumers about the appropriateness and morality of purchasing foreign-made products. In their proposed animosity model, Klein et al. (1998) proposed consumer animosity influenced willingness to purchase directly; whereas consumer ethnocentrism has direct and indirect (through product judgments) impacts on willingness to purchase foreign products. They found consumer animosity and consumer ethnocentrism were different constructs, but the effect of animosity on consumer preferences existed even when consumer ethnocentrism held constant.

Consumer ethnocentrism is a construct about consumers' general beliefs about buying foreign products, whereas consumer animosity is a country-specific construct (Klein et al., 1998). High ethnocentric consumers perceived imported goods as inferior but perceived own products favourable. They tended to purchase

domestic products instead of foreign goods, as they believed they purchase of imported goods will bring negative outcome to their country. Nonetheless, high animosity consumers might be able to accept imported products from foreign countries generally, but reject products from certain countries. They recognize the quality of products from dislike nations, but tended to reject their products (Riefler & Diamantopoulos, 2007).

There are four types of consumer animosity, namely national stable animosity, national situational animosity, personal stable animosity and personal situational animosity. National stable animosity arises from general historical background; national situational animosity temporarily arises caused by specific circumstance; personal stable animosity refers to the general negative feeling due to personal experience; and lastly, personal situational animosity refers to temporary negative sentiments caused by specific circumstance (Ang et al., 2004).

There are some conflicting issues between Malaysia and these countries, and the Malaysian governments and Non-Government Organizations (NGOs) have initiated some policies and campaigns that ban products from the abovementioned nations that influenced the purchase decision of Malaysian, such as Buy British Last Policy, Boycott Danish Products Campaign, Boycott Dutch Products Campaign and Boycott US Product Campaign. (Please refers Appendix for further information)

METHODOLOGY

This is a cross-sectional study. Data collection method was self-administered survey, where a structured questionnaire was distributed to students in Penang. The sampling method was convenience sampling. The usable responses of this study were 255 responses.

A questionnaire was designed to collect data needed. The questionnaire consisted 3 parts. The first part was designed to collect socio-demographic related information. Questions consisted age, gender, ethnicity, marital status, education and household income. Second, the questionnaire was designed to capture respondents' consumer animosity related information. A total of 15 items, based on economic, political, religion, military and social issues, were developed to measure subjects' national situational animosity level towards Europe countries, Singapore and USA, which were 5 items, 3 items and 7 items, accordingly. A five point Likert-scale ranging from 1=strongly disagree to 5=strongly agree was used to measure consumer animosity level.
The questionnaire was designed to capture respondents' preferences towards different product categories - brands' countries of origin associations. The measure consisted 5 products categories, namely fashion apparels and textiles, electrical goods and appliances, chocolate/confectionery's products, dairy goods and healthcare products, while the brands' countries of origin included Malaysia, Singapore, Holland and Malaysia. A five point Likert-scale ranging from 1=least preferred to 5=most preferred was used to capture respondents' preference towards different product categories-brands' countries of origin associations. Moreover, Statistical Package for the Social Sciences (SPSS) version 17 was used to analyze the data of this study.

RESULTS AND FINDINGS

Table 1 presented respondents' profile, which contained their age, gender, ethnicity, marital status, education and household income. Most of the respondents aged 21-25 (69.8%), female (60.4%), Chinese (38.2%), single (96%), tertiary degree's holders (60.8%) and household income RM1001 but less than RM3000 (41.3%).

Table 1
Sample Characteristics

Socio-demographic	Categories	Frequency (n=255)	Percentage (%)
Age	16-20	49	21.8
	21-25	157	69.8
	26-30	19	8.4
Gender	Male	89	39.6
	Female	136	60.4
Ethnicity	Malay	65	28.9
	Chinese	86	38.2
	Indian	74	32.9

Marital status	Single	216	96.0
	Married	9	4.0
Education	Secondary	48	21.4
	Tertiary	137	60.8
	Postgraduate	40	17.8
Household income	RM 1000 and below	92	40.9
	RM 1001 but less than RM 3000	93	41.3
	RM 3000 and above	40	17.8

Next, the Cronbach's alphas, mean values and standard deviations of the overall measure of consumer animosity and based on nation as well as its every single item were presented in Table 2. The Cronbach for overall measure of consumer animosity (15 items) was .92, which indicated good content reliability. Moreover, the Cronbach's alphas for consumer animosity towards Europe countries (5 items), Singapore (3 items) and USA (7 items) were .81, .76 and .87, accordingly. These coefficient reliabilities were accepted.

Table 2
Mean and standard deviation of consumer animosity

No.	Item	Mean value	Standard deviation
1	I feel angry that some European countries discriminates immigrants in their countries.	3.59	1.01
2	I feel upset that the European NGOs are blaming Malaysia for destroying the environment by planting oil palm trees.	3.52	1.01
3	I feel angry towards some European countries for their negative perception about Islam.	3.52	1.06
4	I resent the European Community for banning the import of our marine-based products.	3.38	1.22
5	I am very upset that the European Community has introduced measures to discriminate our palm oil products.	3.32	.89
	Europe countries	**3.47**	**.80**
	Cronbach's alpha	**5 items**	**.81**
1	I resent the World Court's decision in granting the legal right over the Pulau Batu Putih (Pedra Branca) to the Singapore.	3.52	1.05
2	I resent the way Singapore government has occasionally trespassed into Malaysian territory.	3.33	1.03
3	I am unhappy towards the way Singapore government treats Malaysia over the water issue.	3.24	.99
	Singapore	**3.37**	**.78**
	Cronbach's alpha	**3 items**	**.76**
1	I am unhappy with the US want to control Malaysian economy with their unfair terms through Malaysian-United States Free Trade Agreement (MUSFTA).	3.54	1.12
2	I resent towards the US for accusing Malaysia as a transit of human trafficking.	3.52	1.16
3	I feel angry towards the US for supporting the Zionist regime in Israel.	3.49	1.08
4	I am unhappy with the Americans as they are responsible for a lot of the world economic problems.	3.47	1.10
5	I resent the US for imposing unreasonable restriction on the issuance of VISA for visitors from the Muslim countries.	3.42	1.20
6	I feel angry whenever the US gets involved with other countries' internal affairs.	3.41	1.09
7	I feel upset that the Americans are exporting American culture to other countries through television, movie, music, etc.	3.02	1.16
	USA	**3.41**	**.85**
	Cronbach's alpha	**7 items**	**.87**
	Overall	**3.44**	**.76**
	Cronbach's alpha	**15 items**	**.92**

Note: 5-point scale ranged from 1=strongly disagree to 5=strongly agree

The mean value for the overall measure of national situational animosity was 3.44 and the standard deviation was .76, while the mean values and standard deviations for their animosity towards Europe countries, consumer animosity towards Singapore and consumer animosity towards USA were 3.47 (.80), 3.37 (.78) and 3.41 (.85), respectively. These results imply that respondents displayed relatively high consumer animosity, indeed their posed highest animosity towards Europe countries, followed by USA and Singapore.

The mean value for the measure of consumer animosity towards Europe countries ranged from 3.32 to 3.59, where item "I feel angry that some European countries discriminates immigrants in their countries" recorded the highest mean value, while item "I am very upset that the European Community has introduced measures to discriminate our palm oil products" recorded the lowest mean value. Moreover, the mean value for the measure of consumer animosity towards Singapore ranged from 3.42 to 3.53. Item "I resent the World Court's decision in granting the legal right over the Pulau Batu Putih (Pedra Branca) to the Singapore scored the highest mean value, nonetheless item "I am unhappy towards the way Singapore government treats Malaysia over the water issue" noted the lowest mean score. In terms of consumer animosity towards USA, respondents scored the highest mean value for item "I am unhappy with the US want to control Malaysian economy with their unfair terms through Malaysian-United States Free Trade Agreement (MUSFTA)", nevertheless item "I feel upset that the Americans are exporting American culture to other countries through television, movie, music, etc." scored the lowest mean value.

Subsequently, the results of one-way ANOVA that test the significant different differences between ethnic groups (Malay, Chinese and Indian) and their consumer animosity level were presented in Table 3. Significant differences were found between groups on overall consumer animosity as well as their animosities towards European countries, Singapore and USA. In terms of overall consumer animosity, the mean values for Malay was 3.86, followed by Indian (3.37) and Chinese (3.18), where the mean value was 17.42. The mean score for Malay, Chinese and Indian for their animosity towards Europe countries were 3.80, 3.23 and 3.47, respectively, while the F-value was 10.35. Next, the mean values of consumer animosity towards Singapore for Malay, Chinese and Indian were 3.72, 3.10 and 3.36, accordingly. F-value was 11.26. Subsequently, the mean values for Malay, Chinese and Indian on their animosity towards USA were 3.91, 3.14 and 3.30, accordingly, where the F-value was 18.74.

In addition, Duncan's range test was undertaken to capture the significant differences between three ethnic groups. The results of Duncan's range test revealed that Malays are significant different from Chinese and Indian, where Malay demonstrated significant high overall animosity and animosities towards Europe countries, Singapore and USA, as compared to Chinese and Indian. In general, Table 3 showed that Malay presented the highest consumer animosity, followed by Indian, while Chinese displayed the lowest level of consumer animosity.

Table 3
One- way ANOVA: Ethnicity and consumer animosity

Consumer animosity	**Ethnicity**			***F*-value**	**Duncan's range test**
	Malay (G1) (n=65)	**Chinese (G2) (n=86)**	**Indian (G3) (n=74)**		
Overall consumer animosity	3.86	3.18	3.37	17.42*	G1 vs. G2 & G3
Consumer animosity towards Europe countries	3.80	3.23	3.47	10.35*	G1 vs. G2 & G3
Consumer animosity towards Singapore	3.72	3.10	3.36	11.26*	G1 vs. G2 & G3
Consumer animosity towards USA	3.91	3.14	3.30	18.74*	G1 vs. G2 & G3

Lastly, one-way ANOVA was undertaken to test the significant differences between ethnic groups and their preferences towards different product categories-brands' countries of origin associations. The results of analysis were presented in Table 4. In terms of fashion apparels and textiles, Indian (3.73) showed significant high preferences towards brands from USA, followed by Chinese while Malay displayed the lowest preferences. The Fvalue was 6.26. However, Malay demonstrated significant high preferences towards Malaysian brands, followed by Indian and Chinese, where the F-value was 7.08. The results of Duncan's range

test revealed that Malay significance different from Chinese and Indian on their preferences towards fashion apparels and textiles from USA and Singapore; nonetheless Chinese significance different from Malay and Indian on their preferences towards Malaysian brands.

Table 4
On- way ANOVA: Ethnicity and preferences towards different product categories-brands' countries of origin associations

Preferences towards different product categories-brands' countries of origin associations	Ethnicity			*F*-value	Duncan's range test
	Malay (G1) (n=65)	Chinese (G2) (n=86)	Indian (G3) (n=74)		
Fashion (apparel & textiles)					
USA	3.17	3.72	3.73	6.26*	G1 vs. G2 & G3
Malaysia	3.60	2.91	3.26	7.08*	G1 & G3 vs. G2
Holland	2.78	3.15	3.09	2.60	-
Singapore	2.62	3.33	3.30	10.59*	G1 vs. G2 & G3
Electrical goods and appliances					
USA	3.65	3.83	3.23	5.56*	G1 & G2 vs. G3
Malaysia	3.22	2.98	3.64	7.06*	G1 & G2 vs. G3
Holland	2.89	3.22	2.91	2.39	-
Singapore	2.77	3.35	3.11	5.66*	G1 vs. G2 & G3
Chocolate /confectionery's product					
USA	2.97	3.88	4.07	18.10*	G1 vs. G2 & G3
Malaysia	3.29	2.87	3.23	2.41	-
Holland	2.89	3.80	3.61	12.58*	G1 vs. G2 & G3
Singapore	2.49	3.23	3.45	13.72*	G1 vs. G2 & G3
Dairy products					-
USA	2.97	3.57	3.55	5.88*	G1 vs. G2 & G3
Malaysia	3.80	3.59	3.41	2.64	-
Holland	3.89	3.35	3.14	3.43*	G1 vs. G2 & G3
Singapore	2.57	3.22	3.20	8.47*	G1 vs. G2 & G3
Healthcare product					
USA	3.80	4.01	3.85	.87	-
Malaysia	3.55	2.93	3.69	10.24*	G1 & G3 vs. G2
Holland	2.89	3.52	3.47	8.14*	G1 vs. G2 & G3
Singapore	2.78	3.50	3.68	14.70*	G1 vs. G2 & G3

Note: 5-point scale ranged from 1=least preferred to 5=most preferred

Chinese (3.83) showed the highest preferences towards electrical goods and appliances from USA, followed by Malay (3.65), while Indian (3.23) showed the least preferences. The F-value was 5.56 and significant. Besides, Indian (3.64) showed the highest preferences towards Malaysian brands, followed by Malay (3.22) and Chinese (2.98), where F-value was 7.06. The results of Duncan's range test revealed that Indian was significance different from Malay and Chinese on their preferences towards the brands of electrical goods and appliances from USA and Malaysia; nonetheless, Malay was significance different from Chinese and Indian towards brands from Holland and Singapore.

In terms of chocolate/confectionery's product, significant differences between ethnic groups were found on their preferences towards brands from USA, Holland and Singapore, where the F-values were 18.10, 12.58 and 13.72, accordingly. The results of Duncan's range test showed that Malay was significance different from Chinese and Indian on. However, no significant result was found on their preferences towards chocolate/confectionery's product from Malaysia.

Significant differences were found on preferences towards the brands of dairy products from USAHolland and Singapore, where the F-values were 5.88, 2.64, 3.43 and 8.47. The results of Duncan's range test exhibited that Malay significance different from Chinese and Indian on USA and Singaporean brands; while Indian significance different from Malay and Chinese on their preferences towards Malaysian brands.

In terms of healthcare products, significant results were found on respondents preferences towards Malaysian, Holland and Singaporean brands, where the F-values were 10.24, 8.14 and 14.70, accordingly. Nonetheless, no significant result was found on USA brands. Moreover, the results of Duncan's range test indicated that Malay was significance different from Chinese and Indian on their preferences towards Holland and Singaporean brands; nevertheless Chinese was significance different from Malay and Indian on their preferences towards Malaysian brands.

Overall, Malay displayed the least preferences towards foreign brands but prefer domestic brands the most. For example, Malay prefer local brands while least prefer foreign brands in the cases of fashion apparels and textiles, chocolate/confectionery's products, dairy goods and healthcare products, with the exception of brands of dairy goods from Holland where they prefer the most as compared with Chinese and Indian. On the other hand, Chinese presented the least preferences towards home grown brands, in the cases of fashion apparels and textiles, electrical goods and appliance, chocolate/confectionery's products and healthcare products. Additionally, Indian demonstrated the least preferences towards domestic brands of dairy products, while they tended to display least preferences towards the brands of fashion apparels and textiles, electrical goods and appliances, chocolate/confectionery's product and healthcare products from Holland.

DISCUSSIONS AND IMPLICATIONS

This study aimed to test significant differences between ethnic groups on consumer animosity and their preferences towards different product categories-brands' countries of origin associations. This section will discuss consumer animosity of students in Penang, followed by the significance difference between ethnic groups on their consumer animosity and preferences.

In overall, students in Penang displayed relatively high consumer animosity; particularly they demonstrated the highest animosity towards European countries, followed by USA and Singapore. These results imply that students in Penang are sensitive to the international issue, especially conflict between nations. Marketers of the brands from these countries must take these results into account in the design and formulation of international marketing strategies, especially when they targeting or aim to target these groups of consumers. High animosity consumers tend to reject products/brands from dislike nations.

Additionally, in terms of consumer animosity based on ethnicity, Malay students tended to demonstrate the highest animosities, namely overall consumer animosity, consumer animosity towards Europe countries, consumer animosity towards Singapore and consumer animosity towards USA. Nonetheless, Chinese students exhibited the least level of consumer animosity. Indeed, Malay students were significance different from Chinese and Indian samples.

Marketers of brands from these countries are encouraged to mask their brands' countries of origin information when targeting Malay students, as their origin information will bring negative outcome on consumers' purchase decision. However, they are encouraged to associate their brands with favourable country image or focus on product attribute-related information when marketing their brands to this segment. On the other hand, when targeting Chinese students, marketers of brands from these nations are encouraged to incorporate their brands' countries of origin information in their marketing communication, as this segment displayed moderate animosity level towards Europe countries, Singapore and USA, particularly lower level of animosities towards Singapore and USA. Indeed, the brand origin information might bring favourable outcome on the purchase decision of this segment. Additionally, marketers are also encouraged to incorporate the brand origin information when targeting Indian students, as they hold relatively low animosity as compared with the Malay segment.

Marketers are encouraged to consider product category and brand's country of origin cues when targeting different ethnic groups. Students are significance different on their preferences towards different product categories-brands' countries of origin associations. Malay students were significance different to Chinese and Indian samples in most of the cases. Indeed, Malay students tended to display the highest preferences towards Malaysian brands, while Chinese students showed the least preferences towards home grown brand in all product categories, with the exception of dairy products when Indian prefer the least. Therefore,

marketers of domestic brands that target Malay students are encouraged to incorporate brand origin information when marketing their brands/products, as this will bring positive impact on consumer purchase decision. Nonetheless, marketers that targeting Chinese and Indian students are encouraged to focus on product attribute-related information and dissociate their brands with its origin, as their brand origin information will bring negative outcome on the purchase decision of these segments.

Furthermore, in terms of foreign brands, students in Penang tended to display highest preferences towards brands from USA, with the exception of dairy products for Malay students. Moreover, the preferences towards brands from Holland and Singapore for three ethnic groups were based on product categories. For example, Malay samples showed higher preference towards Holland brands rather than Singaporean brands in the cases of fashion apparels and textiles as well as electrical goods and appliances, nevertheless Chinese and Indian samples prefer brands from Holland rather than Singaporean brands. These results brought some insights to marketer of brands from these nations, where they are encouraged to design different marketing strategies that based on product categories when targeting different segment, but not standardized their international marketing strategies.

It s believed that consumer animosity of all three ethnic groups are related with their preferences towards different product categories-brands' countries of origin associations. For example, Malay students displayed the highest animosities level, while Chinese students showed the least consumer animosity. Therefore, Malay students demonstrated the highest level of preferences towards home grown brands in most of the cases; nevertheless, Chinese students displayed the least preferences towards domestic brands. Consequently, marketers should take all these three information, namely ethnicity, consumer animosity and product category, into their considerations when formulating and designing marketing strategies and programmes. It is believed that the missing of either one consideration will results unwanted outcome on consumer attitude, behaviour as well as purchase decision.

CONTRIBUTIONS, LIMITATIONS AND RECOMMENDATIONS

This study contributes to the body of knowledge by incorporate ethnicity and product categories in the study of consumer animosity. Previous studies studied examined the concept of consumer animosity generally based on nationality (e.g. Klein et al., 1998; Klein & Ettenson, 1999; Leong et al., 2007; Wansink et al. 2009; Funk et al., 2010; Smith & Li, 2010), but did not further explore consumer animosity based on ethnic group within a nation. Indeed, the results of this study revealed that consumers within a nation displayed significantly different level of consumer animosity. Additionally, they displayed different level of consumer animosity towards different dislike nations.

This study is not without limitations. This study focused only on ethnicity and consumers' preferences, but not their actual purchase decision. It is believed that different ethnic groups might significance different on their actual purchase behaviour. Therefore, future researchers are encouraged to extend this study by examining ethnicity and consumers' actually purchase decision. In addition, they are also encouraged to explore the relation between ethnicity, consumer animosity and actual purchase decision.

Moreover, this study revealed that different ethnic groups presented significance different level of consume animosity towards different countries. However, this is not sufficient in providing a comprehensive picture how ethnicity works on consumer animosity. Hence, future researches are called to examine the mediating role play of two concepts, namely worldmindedness and national identification. It is believed that consumers in different ethnic group with different level of worldmindedness and national identification will demonstrate different level of consumer animosity. Indeed, these affect their attitude and behaviours towards the dislike nations.

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APPENDIX

Buy British Last Policy initiated by the Malaysian government in 1981, when the UK press, *Financial Times*, reported the US government and companies used alleged tactics to win a Malaysian contract. Besides, Boycott Danish Products Campaign launched by NGOs in 2006 when Danish newspaper, *Jyllands-Posten*, abuse Islam by publishing twelve cartoons ridiculing Prophet Muhammad (The Brussels Journal, 2006). In 2008, Boycott Dutch Products Campaign was initiated, as a Dutch legislator posted a film that portrayed Islam as a violent religion (Kuwait Times, 2008). As a result, Malay Muslims were called to boycott Dutch-made products (The Star, 2008). In addition, Boycott US Product Campaign was initiated in 2009, as US support Israel that mounted the offensive in Gaze (BBC News, 2009). A boycott list includes over 150 products ranging from food and beverage to household and skincare items were introduced (Asia Pacific News, 2009). Indeed, there are also some boycotts from European Union to Malaysia. The European Union has initiated a ban on palm oil products from Malaysian in 2007 that resulted by some sensitive ecosystems issue, where they claimed Malaysian oil palm plantations cause to global warming by cutting down forest (The Star, 2007). Additionally, they initiated a ban on Malaysia seafood in the following year, where they found some Malaysian companies lack in health standards and practices set by the European Union (The Star, 2009). Moreover, the conflicting issues between Malaysia and Singapore related to the political right of Pulau Putih (Pedra Branca), water issue as well as territory issue.

THE INFLUENCE OF VALUE ADDED SERVICE QUALITY ON LOYALTY INTENTION

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ABSTRACT

Presently, various value added services such as non-voice communication (MMS, SMS, and GPRS) and entertainment (downloading ringtone, calling melody, wallpaper, screensavers and music) have been intensively incorporated to sustain and serve customer needs. However, there have been limited studies investigating their impact on customer behaviour. Thus, this paper examines their effects on loyalty behaviour intentions namely staying intention and word of mouth intention. A theoretical framework was developed based on Gronroos' Model which comprises of four dimensions of service quality, in particular, the value added service. A total of 998 structured questionnaires were distributed to pre-paid mobile phones users in nine provinces of Thailand. Findings indicate that the incorporation of non-voice communication and entertainment applications have different impacts on loyalty intention. These results have important implications not only to the telecommunications service providers, but also to other service providers in strategizing their scarce resources to satisfy customers.

Keywords: Value added services, Service quality, Loyalty intention, Word of Mouth Intention, Mass service, Telecommunications

INTRODUCTION

The increasing global competition in business market has led to an intensively competitive environment among the service providers, in particular, telecommunications industry such as mobile phone services. Several value added services have been increasingly created and developed to satisfy customer needs in order to maintain the favour of existing customers in services such as communication services, entertainment services, information services and money transfer services. Customer loyalty has long been addressed in the academic world and in many service industries such as manufacturing, health care, education and telecommunications. Customer loyalty is perceived as a critical focal point in any business for continuous customer relationship management that focuses on customer satisfaction and long-term business profitability. Numerous studies (Reichheld, 1996; Reichheld and Sassar, 1990; Sheth and Parvitiyar, 1995; Donio' et al., 2006) have reported that when customers show loyal behaviour the firm will experience high profitability for a firm. However, customer loyalty is widely reported to be declining due to such factors as lowering levels of quality of product or service differentiation, lower risk of switching cost, intense competition, consumers becoming more demanding and showing increasing levels of dissatisfaction with pricing, core service failure and general inconvenience (Bennett and Rundle-Thiele, 2005; Dick and Basu, 1994; Keaveney, 1995). In addition, many scholars have argued that either SERVQUAL or SERVPERF conceptualizations have failed to measure service quality in new industries (Brady & Cronin, 2001; Carr, 2007; Dabholkar et al., 1996; Gounaris, 2005; Kang, 2006; Kang and James, 2004; Philip and Hazlett, 1997). For instance, Kang (2006) and Kang and James (2004) developed service quality dimensions by incorporating the Gronroos' service quality model and SERVQUAL to measure service quality amongst mobile phone service providers. They argued that the SERVQUAL measurement is more focused on the processing of delivery service and does not reflect on service output (Seth et al., 2005; Lim et al., Kang, 2006; Kang and James, 2004).

The understanding how customers behave in relation loyalty intention among the mobile phone service users in Thailand telecommunication industry has become and important way to sustain existing customers which lead to performance maximization. Therefore, it is worth exploring the impact of various dimensions of service quality as developed in the Gronroos' Model (Gronroos, 1984) which are different based on the nature of the service industry, currently existing competition, time and needs (Selth et al., 2005). Specifically, it is in relation to technical quality (core service and value-added service) and functional quality (customer care service) and their effects on customer loyalty. Thus, this study examines the effects of various value added services on word of mouth and intention to stay among users in Thailand.

LITERATURE REVIEW

Service Quality

Service quality has been studied over the last two decades as can be seen in service marketing literature. Many scholars have agreed that the concept of service quality in the customer's mind is very subjective, complicated and personal as well as difficult to conceptualize and operationalize (Brady and Cronin, 2001; Cronin and Taylor, 1992; Dabholkar et al., 1996; Parasuraman et al., 1994; Rust and Oliver, 1994; Tea, 1993). Service quality has been conceptualized in two different approaches. The first approach of service quality conceptualized by Gronroos in 1984 comprises of two dimensions; technical quality and functional quality. The technical quality refers to what is delivered to the customer as the outcome of interaction with a service provider (what is delivered). Whereas, functional quality is concerned with how the end result of the process is transferred to the customer (how it is delivered). This dimension is not directly related to core service offerings but includes a wide range of service delivery items, such as perceptions of a company's service center or customer care service and the manner of personal service. Technical quality can often be quite readily evaluated objectively but it is more difficult to do with functional quality. Hence, the author further conceptualized that the important impact of any previous experience of service quality in a corporate situation will act as a guide for customers to evaluate the technical and functional quality of the product and the company. The second approach is SERVQUAL which was developed and refined by Parasuraman et al. (1985, 1988). It is a multi-item instrument with five dimensions to quantify customers' global assessments of a company's service quality. It consists of reliability, responsiveness, assurance, empathy, and tangibles. Recently, there has been agreement in the literature that the outcome of the service encounter significantly affects perceptions of service quality (Carman, 2000; Gronroos, 1984, 2001; Johnson and Sirikit, 2002; McDougall and Levesque, 1994; Kang and James, 2004; Rust and Oliver, 1994). For instance, the outcome of service quality was labeled in terms of technical quality by Gronroos (1984, 2001). Moreover, Johnson and Sirikit (2002) and Lim et al. (2006) suggested that the service context is often needed to consider the impact of both technical quality or service outcome and process quality that would have an impact on customer perceived service quality. Similarly, Selth et al. (2005) has revealed that several service quality models have different bases within the service industry, such as intense competition, time and need.

According to the characteristic service industry is developing rapidly through increasing quality of service and customer care. Moreover, several value added services have been increasingly created and developed to satisfy customer needs in order to keep the favourable ratings from existing customers, for example, after sales service in the electronic industry. In particular, various value added services in the mobile phone service industry have been added such as communication services, entertainment services, information services and money transfer service. Hence, this present study will adopt Gronroos's model (1984) as a fundamental theoretical framework to measure perceived service quality in particular the technical and functional qualities. However, there is a need to incorporate other variables that may affect customer loyalty into the existing service quality model due to rapid switching behaviour of customers in telecommunication industry. Value added services such SMS, MMS, GPRS, downloading ringtone, calling melody, wallpaper, screensavers and music are critically important to customers as it not only provides additional features to the main service but also to fulfill their needs (Johnson and Sirikit, 2002; Lim et al., 2006; Kang, 2006; Kang and James, 2004; Olorunniwo and Hsu, 2006; Selth et al., 2005). Therefore, in this study**,** *Technical quality* is viewed as the quality of the output service (that is delivery) (Gronroos, 1984) comprised of core service, non-voice communication value-added services and entertainment value added service. *Core Service* refers to the quality of the main needed output from the service provider (Gronroos, 1984) in terms of call quality. Three items are used to measure customer accessibility and successful communication in terms of network quality and clarity of voice without experiences any connection breakdown (Aydin and Ozer, 2005; Gerpott et al., 2001; Kim et al., 2004; Lim et al., 2006). *Value added service* is viewed in terms of the quality of output service (Gronroos, 1984) that focuses on the additional services in order to fulfill customers' needs. It comprises of non-voice communication and entertainment value added service (Lim et al., 2006; Selth et al., 2005). *Functional quality* refers to the quality of customer care service is viewed as a supplementary to the output service (Gronroos, 1984; Lim et al., 2006).

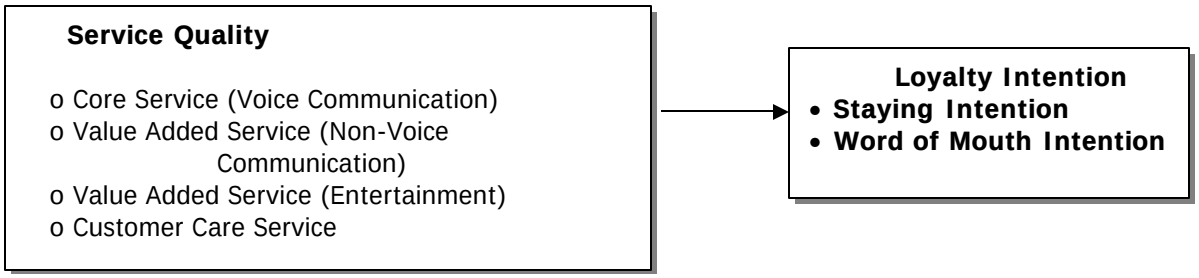
Loyalty Intention

Customer loyalty has been conceptualized and measured in three categories: a behavioural approach, an attitudinal approach and a composite approach (Dick and Basu, 1994; Jacoby and Chesnut, 1978; Sheth, 1968). Early views of loyalty focused on actual behavioural dimensions and used various behavioural measures drawn from panel data that was based on reported purchase behaviour or repeat purchase behaviour (i.e., the pattern of past purchase or repeat purchase behaviour) as a function of purchasing frequency (e.g. Brown, 1952), a proportion of purchase or market share (e.g. Cunningham, 1956), probability of purchase frequency and pattern of purchase (Sheth, 1968). The behavioural approach ignores the cognitive processes underlying the reason to perform that behaviour (Day, 1969). Therefore, the consideration of a solely behavioural perspective conceptualized in terms of overt behaviour created many measurement and conceptual problems (Day, 1969; Jacoby and Chesnut, 1978). It was insufficient to explain how and why brand loyalty is developed and /or modified. The second conceptualization is attitudinal approach which emerged from a variety of situations (Day, 1969). For instance, a consumer buys the same brand again, not because of any strongly held attitude or deeply held commitment, but because it may reflect situational constraints. It may not be worth the time and trouble to search for an alternative so, if the usual brand is out of stock or unavailable for some reason, another functionally similar (or substitutable) brand (from portfolio) will be purchased. Attitudinal approach focuses on attitudes, where loyalty is considered to depend on psychological commitment and intention and ignores the behavioural outcomes of the attitudinal processes. This approach is based on the statement of preference or intention to behave, and not actual purchase behaviour (Jacoby and Chestnut, 1978: 47; Oliver, 1999).

The third conceptualization is a composite approach. According to Day (1969), a behavioural definition is insufficient because it does not distinguish between true loyalty and spurious loyalty. Day suggested that loyalty should be measured as a combination of attitudes and behaviour, and proposed a loyalty index as a function of proportion of purchases and attitude towards the brand (Day, 1969). In response to these criticisms, researches have proposed measuring loyalty by means of an attitudinal dimension in addition to a behavioural dimension. This rationale was also supported by Jacoby and Kyner (1973), Jacoby and Chesnut (1978) and Keller (1993) suggesting that loyalty is present when favourable attitudes for a brand are manifested in repeat buying behaviour. The popular conceptualization of the composite approach is created by Dick and Basu (1994), where customer loyalty is conceptualized as "a combination of repeat patronage and relative attitude towards the target (brand/service/store/vendor)". Cross-classifying relative attitude and behavioural loyalty identified four categories of customer loyalty: loyalty, latent loyalty, spurious loyalty, and no loyalty. Similarly, Oliver (1999: 35) defines loyalty as "a deeply held commitment to rebuy or repatronize a preferred product/service consistently in the future, thereby causing repetitive same-brand of same brand-set purchasing, despite situational influences and marketing efforts having the potential to cause switching behaviour". Therefore, in this study defined loyalty intention as a direct link to intention to repurchase and complement by word of mouth (WOM). Staying Intention is defined as a customer's intention to continue to make a phone call from the same service provider (Oliver, 1999) and resist changing from his/her service provider (Morgan and Hunt, 1994). Word of Mouth Intention is defined as customer's intention to advertise the service from his/her current service provider to others by saying or recommendation (Oliver, 1999).

THEORETICAL FRAMEWORK AND HYPOTHESES FORMULATION

In a long-term relationship between the customer and the service provider in mass service industry, an important theory underlies the basic framework of this study. The hypothesized relationships in this study are based on the social exchange theory (Thibuat and Kelly, 1959) which will be the main theory to provide the basis for relationships between service quality and customer loyalty. The social exchange theory (Thibuat and Kelley, 1959) is an economic, social psychological and sociological perspective that views social behaviour as an exchange process of resources in both tangible and intangible aspects such as goods, happiness or friendship between two parties which can be individuals, groups or organizations. In this exchange process, each party has to perform both activities of "give and take" at the same time. Persons that give much to others try to take much from them, and persons that take much from others are under pressure to give much to them (Homans, 1961). It posits that all human relationships are formed by use of subjective analysis to compare costs and benefits and to choose the best alternative. Thus, the proposed theoretical framework for this study is illustrated in Figure 1. Next, the formulation of related hypotheses to the proposed model is discussed.



Service Quality and Loyalty Intention

The relationship between service quality and consumer behaviour dimensions has also been examined empirically. Many studies have found the positive relationship between service quality and consumer behaviour. For instance, Boulding et al. (1993) found a positive relationship between service quality and repurchase intention and willingness to recommend to others. The important study by Zeithaml, Berry & Parasuraman (1996) also showed the consequence of service quality as a loyal behaviour, in ways such as repurchase intention, willingness to recommend (WOM), resistance to switching, complaint behaviour, propensity to leave in future and duration to stay in future. However, many studies have also reported that service quality does not significantly affect loyal behaviour. For example, the study by Cronin and Taylor (1992) that used the SERVQUAL vs. SERVPERF compared the measurement of service quality and the relationships between service quality, customer satisfaction and behavioural intentions; namely repurchase intention. Their major study failed to establish the service quality effect on customer behavioural intentions. Similarly, Caruana and Malta (2002) did not find any significant support for the link between service quality and service loyalty in the banking context. Moreover, Caceres and Paparoidamis (2007) also reported that the direct relationship of service quality and loyal behaviour was not supported. Likewise, Johnson and Sirikit (2002) did not find any support for the link between service quality by using SERQUAL and word of mouth, purchase intentions, price sensitivity, or complaining behaviour in Thai telecommunication industry. Aydin and Ozer (2005) revealed service quality in terms of call quality, value-added services and customer support as having a positive significant relationship on loyal behavioural intention in the telecommunications service industry. Thus, in the context of this study, four dimensions of service quality [core service, value added services (non-voice and entertainment) and customer care service] would have a significant effect on loyalty intention (staying intention and word of mouth). Several hypotheses are proposed as follow:

H1: *There is a positive relationship between customer's perception of core service and staying intention.*
H2: *There is a positive relationship between customer's perception of non-voice value-added service and staying intention.*
H3: *There is a relationship between customer's perception of entertainment value-added service and staying intention.*
H4: *There is a positive relationship between customer's perception of customer care service and staying intention.*
H5: *There is a positive relationship between customer's perception of core service and word of mouth intention.*
H6: *There is a positive relationship between customer's perception of non-voice value-added service and word of mouth intention.*
H7: *There is a positive relationship between customer's perception of entertainment value-added service and word of mouth intention.*
H8: *There is a positive relationship between customer's perception of customer care service and word of mouth intention.*

METHODOLOGY

In mass service context, mobile phone service industry in Thailand is considered as evolving rapidly due to high switching behaviour and its competitive market. Hence, the service providers must always find ways to improve their services in order to keep their customers. The applicability of value added services is considered one of the ways that can provide and enhance existing customer satisfaction among the pre-paid mobile phone users in Thailand.

The value added services such as SMS (Short Message Service), MMS (Multimedia Message Service) and GPRS (Mobile Internet), Downloading Ring Tones or Calling Melody, Downloading Music and Downloading Wallpaper or Screensavers would be a central focus in this study. The unit of analysis of this study is individual mobile phone users who are currently using a pre-paid mobile phone service in Thailand and have full control over their decision to continue or discontinue the service at any time. Multistage area sampling was employed together with simple random sampling to choose provinces from each region in Thailand and convenience stores, shopping mall from each province and respondents within sampling area. A total of 998 completed questionnaires from nine provinces were collected using structured questionnaire and were self-administered to avoid bias from research assistants. Statistical Package for Social Science (SPSS) version 15.0 for Windows was used for data analysis and hypotheses testing. Descriptive statistics, factor analysis, reliability analysis, multiple regression analysis were used to analyse the studied variable in this research.

Measuring Instruments

Service quality*:*

Core Service: Three items are used to measure the calling quality. The modification of Question 1 was adapted from Kim et al. (2004) and Aydin and Ozer (2005). Question 2 and 3 were adapted from Lim et al. (2006). A five-point Likert scale ranging from (1) "Strongly disagree" to (5) "Strongly agree" was employed.

Value added service: Six items were employed to measure their quality. They were chosen by asking the respondents about the value-added service they were using. **Non-voice communication questions** regarding SMS (Short Message Service) and MMS (Multimedia Message Service) were adapted from Lim et al. (2006). Question about GPRS (Mobile Internet) was self-developed. **Entertainment value-added service questions** including Downloading Ring Tones was adapted from Lim et al. (2006) by adding downloading calling melody. Questions about Downloading Music and Downloading Wallpaper or Screensavers were self-developed. A five-point Likert scale ranging from 1 - Poor, 2 - Fair, 3 - Good, 4 - Very Good, and 5- Excellent were used in this study.

Customer Care Service: Six items were adapted from Kim et al. (2004) and Lim et al. (2006). Questions 1, 2 and 3 were adapted from Lim et al. (2006). Questions 4, 5, and 6 were adapted from Kim et al. (2004). Each item would be measured on a five-point Likert scale ranging from (1) "Strongly disagree" to (5) "Strongly agree."

*Loyalty intention***:** Four items were adapted from Lim et al. (2006). A 5-point Likert scale ranging from (1) "unlikely" to (5) "very likely" was employed.

RESULTS

Findings from a total of 998 respondents indicate that more than half of them are females (62.6%) which reflect a behaviour in purchasing a prepaid mobile phone service, a finding that has not been reported in Thailand. Around 53% of the respondents have a bachelor's degree and aged between 26-35 years (38%). With regards to occupation, around 36% of the respondents were government employees/officials/state enterprise. In terms of personal income, 35.6% of the respondents have a monthly income between Baht 5,000 – 9,999 (35.6%) (refer Table 1). Six factors with Eigenvalues greater than 1 are extracted by the Principle Components Analysis and the Varimax Rotation Technique. The Kaiser-Meyer-Olkin measure of sampling adequacy (KMO) values exceed 0.50, the Barlett's test of sphericity was significant at 0.05, the anti-image correlations and the communalities of items was greater than 0.50 and the minimum requirement of factor loading above 0.05. The reliability of the studied variables achieved an acceptable level with Cronbach Alpha values (Sekaran, 2000; Nunnally, 1978) of between 0.68-0.90 to further test all the hypotheses generated (refer Table 2). In addition, the mean values of the service quality ranged from 2.05 to 3.79 with standard deviations ranging from 0.68 to 1.21; Loyalty intention behaviour mean values ranging from 3.16-3.70, with standard deviations ranging from 0.76-0.97.

Multiple regression analysis was performed to test all the hypotheses postulated in this study (Sekaran, 2003). It is generally agreed that there are at least five assumptions as to normality, linearity, multicollinearity, homoscedasticity, and autocorrelation which have not been violated (Hair et al., 2006). It is postulated that there is a positive relationship between service quality and loyalty intention. Results in Table 3 reported the extent of the variance of staying intention is explained by the quality of using voice to communicate, non-voice service and customer care service of 14 percent *(R^2=.14, p<.01,* whereas, the four sub dimensions of the quality of services provided by their present network operator predicted word of mouth intention reaches a value of 13.2 percent *(R^2=.132, p<.01).* The higher quality of four sub-dimensions of

service quality is the highest motivator of staying and word of mouth intention with a current service provider. However, entertainment value-added services failed to be a motivator of staying intention. Therefore, all hypotheses were accepted, only H.3 (entertainment value-added service and staying intention) was rejected.

DISCUSSION

Results from this study indicate that service quality is a construct that consists of four dimensions, namely core service (voice service), non-voice value added services, entertainment value added service and customer care service. The results of multiple regression analyses reveal a positive significance in the relationship between service quality and loyalty intention. It has also proved that service quality dimensions, which were developed from Gronroos' Model (1984) that comprised of core service, non-voice and entertainment value-added service and customer care service was associated with loyal behavioural intention for Thai customers in the prepaid mobile phone service industry. This finding is consistent with those of previous researches (Kang and James, 2004; Kang, 2006) that service quality measurements should not focus only on delivery quality but also on service output.

It is also found that the greatest impact of service quality on staying intention and word of mouth is the quality of core service in terms of a good coverage network, high sound quality and few interruptions in the prepaid mobile phone service industry in Thailand. Possible reason for this indication is that the voice calls are the core purpose for using mobile phone services. This finding is consistent with previous studies in the telecommunications industry (Aydin and Özer, 2005). In regards to customer care services, a positive and significant effect upon customer attitudes (staying intention and word of mouth interactions) was established. This is understandable because mobile phone service providers supply a variety of customer support systems that are convenient to access, help customers to solve problems quickly and are friendly and polite. In other words, customer can easily solve their problems with speed, friendliness and politeness either through the system or via personal contact. Thus, by helping customers to solve their problems through a variety of processes they develop the intention to stay longer with their network provider. This finding is consistent with previous studies (Aydin and Özer, 2005).

The non-voice value-added service is ranked the third in positively and significantly influence on staying intention and using word of mouth positively on behalf of their network provider. However, the results of this study also suggest that this mobile phone service registers as having the lowest effect on intention to stay. Therefore, network operators need to improve non-voice quality to respond to customers' needs and wants in order to maintain existing customers as long as possible and to encourage them to speak positively of them and recommend their network to others. This study also reveals that entertainment value-added service has only a significant and positive relationship with word of mouth intention. The lack of significant findings on the relationship between the quality of entertainment value-added service and intention to stay may be due to the fact that the samples in this study only focused on the prepaid market which is commonly used by the low-middle income group. This may lead to the lowering of perceived benefits of using entertainment value added services among the pre-paid users as their main purpose is to communicate rather than focusing on entertainment. Hence, the quality of entertainment value-added service would not be an important consideration when thinking about switching or staying with their service provider.

CONCLUSION AND IMPLICATION

The main objective of this research is to investigate the extent of the various value-added services in service quality dimensions (core service, non-voice communication and entertainment value added services and customer care service), and influenced loyalty intention (staying intention and word of mouth intention) in mass services industry. The results indicate that all four sub-dimensions of service quality have positive effects on both dimensions of loyalty intention, but entertainment value-added services do not have any effect on intention to stay. Subsequent to the results of this study it may be suggested that among the main factors of service quality, network operators should focus on improving the quality of calling services. This can be done by improving the quality of voice so as to improve clarity and uninterruptedness. Network coverage, as in the past, is still the most important factor in the customer's intention to remain with their network operator. In addition, network providers also need to focus on the development of the quality of non-voice service in order to increase the capability of the customer's communication such as through short message service (SMS), multimedia message service (MMS) and mobile internet (GPRS). In terms of customer care service, network providers should concentrate on the development of the system to make it more convenient for customers to contact to the person at the customer care service centre and to train service personnel to be more polite and capable of solving customers' problems in a more friendly manner. Moreover, developing a variety of customer support systems and solving problems with greater speed are also necessary. In addition, creating value-added services to enhance customer enjoyment or entertainment such as downloading ringtones, music and

wallpaper/screensavers is also useful for the service provider to increase the customer's word of mouth intention. The result of this study has extended the results of previous studies. This study has shown that the value added services can be categorized into areas related and not related to core benefit in customer's view. Their impacts on loyalty intention also provided an important knowledge regarding various value added services into service marketing literature. Moreover, this study also provides strong evidence that it is useful and meaningful for practitioners, particularly marketing managers in the service industries to have a better understanding of loyalty behaviour, to create or develop and design a variety of services in order to enhance or maintain loyalty of existing customers.

From the theoretical point of view, the results of this study support the Social Exchange Theory (Thibuat and Kelly, 1959) that two parties will get and give whenever the thing is needed by them, such as a mobile phone service provider offering a service which meets the customers' needs. It will be typical for customers to continue to use their existing service provider whenever they need to communicate and show resistance to switching to other network operators. In addition, if an offer from a service provider is not related to their needs they will not give evidence of long-term behaviour such as staying intention but will perform only word of mouth with no cost attached.

LIMITATIONS AND FUTURE RESEARCH

Even though this study has some interesting findings on the relationship between various dimensions of service quality and loyalty intention, this research is also subject to some limitations: this study focuses on the prepaid mobile phone service industry in Thailand. The results should not be generalized to other service industries such as the health care industry, financial services industry, retailing, retail banking, insurance industry and other professional service industries and so on. Moreover, the behaviour intention outcome of this measurement is based on self-administered questionnaires from individual users of the prepaid mobile phone service industry. Their perceptions cannot be verified in other domains as their perceptions may be different from the postpaid mobile phone service industry. Future research should look into the proposed model and can study four dimensions of service quality (core service, value-added service which are related to core service and to enjoyment or entertainment and customer care service for personal and support systems) in other service industries to examine the nature of services that should be offered in order to increase loyalty intention.

Table 1
The Demographic Profile of Respondents

Demographic Variables	Categories	Frequencies	Percentage
Total number of respondents		998	%
Age	15– 20 years	160	16.0
	21 – 25 years	271	27.2
	26 – 35 years	377	37.8
	36 – 45 years	144	14.4
	46 – 55 years	20	4.0
	Over 55 years	6	0.6
Gender	Male	373	37.4
	Female	625	62.6
Education	Secondary School or Lower	26	2.6
	High School or Diploma	184	18.4
	Advance Diploma or Certificate	168	16.8
	Bachelor	532	53.2
	Master or Higher	90	9.0
Occupation	Student/Undergraduate	252	25.2
	Employee/ Private Company Employee	258	25.9
	Government Employee/Official/ State Enterprise Employee	362	36.3
	Business Owners	126	12.6
Income	Less than Baht 5,000	150	15.0
	Baht 5,000 – 9,999	356	35.6
	Baht 10,000 – 14,999	190	19.0
	Baht 15,000 – 19,999	116	11.8
	Baht 20,000 – 24,999	60	6.0
	Baht 25,000 – 29,999	30	3.0
	Over Baht 30,000	96	9.6

Table 2
Reliability Coefficient, Mean and Standard Deviation of the Studied Variables (N=998)

Variables	Number of Items	Cronbach's Alpha	Mean	Std. Deviation
Service Quality				
Core Service	3	.75	3.65	.79
Non-Voice Value-Added Service	3	.77	2.44	1.02
Entertainment Value-Added Service	3	.88	2.05	1.21
Customer Care Service	6	.90	3.10	1.06
Loyalty Intention				
Intention to Stay	2	.68	3.70	.76
Word of Mouth	2	.87	3.19	.97

Table 3
The Multiple Regression Analysis Results for the Relationship between Service Quality and Loyalty Intention

Independent Variables	Dependent Variable	
Service Quality	**Staying Intention (Beta)**	**Word of Mouth Intention (Beta)**
Core Service	.287**	.140**
Non-Voice Value-Added Service	.109**	.113**
Entertainment Value-Added Service	-.053	.080*
Customer Care Service	.149**	.221**
R^2	.140	.132
Adjust R^2	.136	.128
F change	39.819**	36.846**

Note. Significant levels * p<.05, **p<.01

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ACCOUNTING DEPARTEMENT ROLE AND STUDENT READINESS RELATED TO IFRS CONVERGANCE ISSUE

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ABSTRACT

Related to issue that warmness in the world of Accounting at this time, then writer feel importants conduct research to Bina Nusantara Accounting Department, beside because this major many is enthused by candidates student and already A for accreditation . Writer want to know role Accounting Departement Bina Nusantara University and readiness of students its related to IFRS (International Financial Reporting Standards) convergence issue in Indonesia pass by interview to BINUS University Head Departement of Accounting and spreading quesitioner to BINUS University Accounting student .
Accounting major of BINUS University has enough shared prepare him self in face of IFRS convergence issue is referred as, related its role as the teaching accountant, with various of steps plannings that already and will be conducted to face convergence issue this IFRS. Nevertheless, students are assessed had not yet ready for facing IFRS convergence issue at this time, that seen base value proportion that obtained in quesitioner . Lack of human resource, have not yet many available its textbook bases on IFRS and to the number of student that less active information searching and not so care with this issue, is biggest challenge for BINUS University. By form IFRS Knowledge Center Bina Nusantara University in 2011, as one of best solution, then expected will be able to improve readiness of student to face convergence IFRS in 2012 the coming.

Keywords: Convergence, IFRS, Accounting Major, Accounting Student.

I. Introduction

Along with business growth in national and international scale, Indonesian Institute of Accountants (IAI) already publicated implementation of convergence program International Financial Reporting Standards (IFRS) that will be applied fully in January 1, 2012. This condition are decided assessment having taken steps and observation circumstantial by consider all risk and convergence benefits to IFRS. With existence of global standard referred as , enable comparison and information transfer in universal.

IFRS Convergence can improve information power from companies financial statement that exist in Indonesia. International standard Adoption also of vital importance in order to economics stability. For that, IFRS convergence challenge at this time is readiness of practitioners management accountant, public accountant, teaching accountant, regulator and supporting profession other like assessor.

Because of that, writer conducts research in the field of Accounting Education Study that entitle ***"Accounting Departement Role and Student Readiness Related to IFRS Convergence Issue ".***

Problem Identification

At this time, one of IFRS convergence challenge is readiness of teaching accountant. By reason of referred as, writer assumes must rise the following problem:

1. How role BINUS University Accounting Departement relates to IFRS convergence issue in Indonesia in 2012 ?
2. How readiness BINUS University Accounting Student in face of IFRS convergence in Indonesia in 2012 ?

Research Target

Target that wish reached is :

1. To know role Accounting Departement of BINUS University related to IFRS convergence issue in Indonesia;

2. To know readiness of Accounting student of BINUS University in face IFRS convergence issue in Indonesia.

Benefit

Expected Benefit can be obtained from research is :

1. Benefit for the necessity of knowledge
   1) Can add knowledge and writer knowledge of accounting department role and readiness of BINUS University accounting student related to IFRS convergence issue in 2012;
   2) This research result can be used as reference materials or reason of the coming research to know the importance readiness of either from student and department accounting , specially in BINUS University, to prepare himself in face of IFRS convergence issue in Indonesia.
2. Benefit for the necessity of applied
   1) Can prepare its student in face of IFRS convergence in Indonesia :
   2) Can be used as information media for accounting student specially, to prepare himself in face of IFRS convergence in Indonesia

II. Methodologies

The characteristic is :

1. Type from research is the qualitative research;
2. Because the research type is qualitative, then there is no hypothesis testing. Nevertheless, data that used by is quantitative data, then its research is descriptive research;
3. Dimension of research time is entangles one certain time with many sample (cross sectional).
4. Research are conducted exhaustively but only entangle one object .
5. Data collecting Method is pass by direct contact, have the shape of interview and Quesitioner;
6. Its analysis unit is BINUS University Accounting Departement as an organization and Accounting student as the individual;
7. Variables that will be researched is Accounting Departemen role and Accounting Student readiness .

II.1. Research Design

T-1 : To know role Accounting Departement BINUS University related to IFRS convergence issue in Indonesia.

T-2 : To know readiness of BINUS University Accounting Student related with IFRS convergence issue in Indonesia.

II.2. Type and Data Source

For that, type and data source as used in research this is the:

Table 1
Type and Researh Data Resource

Target	Data	Type Data	Source Data
T-1	Interview Quisioner	Subject data (verbal) Subject data (written) Document data	Primary data Second data
T-2	Quisioner	Subject data (written)	Primary data

II.3. Sample Determination

Formula that used to determine amount sample is:

$$n = \frac{N}{Nd2 + 1}$$

where:

n = amount sample

N = population amount known

d = precission value to measure standard mistake from estimation conducted, in this research use mistake level 10%

II.4. Collecting sample method

The writer use the Probability Sampling Methods because election sampel is conducted at random.

II.5. Analisys Method

Because research type is qualitative research, then data analysis will be conducted in a few phase, that is : editing, code giving and data processing. Writer conducts data analysis

constructively computer, that is Microsoft Excel application program and Statistical Program for Social Science (SPSS) 16.0 for Windowses.

II.6. Data Presented

Result of data analysis will be presented in two forms, that is have the shape of tables and diagram.

II.7. Variabel Operasionalization

Because writer want to knows how far role of Accounting Department and readiness of Accounting student in face of IFRS convergence issue, then operasionalized .

Tables .2
Variabel Operasionalization

Variable	Concept of Variabel	Indicator Main	Size	Measurement scale
Accounting Departement Role	Action that conducted by accounting department related IFRS convergence issue	- Curriculum and Syllabus taught - Research conducted that related to IFRS convergence	share enough share has not yet shared not share	There is no
Readiness of Accounting Student	Accounting student Ability in controlling IFRS theory	- The science of IFRS convergence - Understanding IFRS up dating	ready to enough ready to not ready to	Scale Likert

III. DISCUSSION

IFRS is a standard of financial statement compilation that accepted globally. If a country uses IFRS as its financial reporting standard, then country is referred enable world market understands about company financial statement in country is referred come. Main purpose from IFRS convergence is in order to financial statement that compiled base scanty Pernyataan Standar Akuntansi Keuangan (PSAK) or even not need reconciliation with report base international standard. Indonesia of IFRS adoption that will be applied fully in 2012 later. Convergence that intended here is revise to PSAK in significant in accordance with IFRS.

PSAK that has been ratified in December 23, 2009 for example: PSAK 1 (revise 2009) , PSAK 2 (revise 2009), PSAK 4 (revise 2009) , PSAK 5 (revise 2009) , PSAK 12 (revise 2009), PSAK 15 (revise 2009) , PSAK 25 (revise 2009) , PSAK 48 (revise 2009) , PSAK 57 (revise 2009) , and PSAK 58 (revise 2009) .

As for Interpretasi that ratified in December 23, 2009 shall be as follows: Interpretasi Standar Akuntansi Keuangan (ISAK) 7 (revise 2009), ISAK 9, ISAK 10, ISAK 11 , and ISAK 12.

In other hand, Pernyataan Pencabutan Standar Akuntansi keuangan (PPSAK) that ratified During the year 2009 (go into effect effective in 2010) is: PPSAK 1, PPSAK 2 , PPSAK 3, PPSAK 4 , dan PPSAK 5.

By adoption full IFRS, then changes that happened will give effect in various of areas, especially from education face and business. BINUS University as one of education institution in Indonesia also takes quite important role to follow cope make a go of convergence IFRS from the view of education world.

BINUS University Accounting Departement Role

BINUS University Accounting Departement realizes correct that IFRS adoption influence to education world consist of several things, for example:

1. Bearing between study matter and IFRS.
2. At this time, Indonesia have not yet fully comply with IFRS, temporary more than one hundred country in the world of have adopted IFRS, that mean that in the world of education, study matter is must altered.
3. Consequence that generated with existence of IFRS convergence issue .

BINUS University Accounting Departement not only wish students its knows about IFRS, but also comprehend change from rules-based accounting system to principles-based accounting system.

This condition it might seem from some plannings that have been compiled by Accounting Departement related to convergence issue this IFRS, for example:

1. ***Awareness***
   Student and lecturer in BINUS University, specially for Accounting major , already enough aware with existence of IFRS convergence issue .
2. ***Seminar***
   BINUS University Accounting Departement also has performed seminar that destined to all lecturer and student . Seminar that performed theme about readiness of in face of IFRS and the impact for education world.
3. ***Matter***
   Matter about IFRS reserved for support planning poin one above. Binus University Accounting Departement with Library and Knowledge Center (LKC) give access e-book about IFRS to lecturers and its student that can download in free, so it's existed medium that given by Accounting Departement BINUS University for up dating IFRS.
4. ***Workshop or training***
   Workshop or this training is destined to all accounting lecturer in BINUS University. Intention of the of workshop or training this is the to be more define and prepare lecturers related to change of consequence study matter convergence issue this IFRS.
5. ***Learning Matterial***
   Study Matter must starts altered in order to in accordance with IFRS. This condition is important step because adoption IFRS very affects to study accounting matter in the world of education
6. ***Curriculum***
   BINUS University Accounting Departement is designing new curriculum that adapted for IFRS. And expected that student that enter in 2008 and after, new curriculum already can be applied.

Readiness of BINUS University Accounting Departement

Result Quesitioner form this multiple-choice questions relates to result Quisioner statement form, where we can see things that maybe become low cause its value that become measuring readiness of student in face of IFRS convergence issue.

IV. Conclusion and Sugestion.

Conclusion

a. Accounting curriculum always up dating and adapted for labour market needs and growth existing accounting practice . Start in 2008 for example, Accounting major enters IFRS into curriculum . Curriculum is always designed and completed to give science or knowledge and membership precise to worthwhile for student to become a competent accountant.

c. This Research is conducted to reach two targets. First Target is to know how role from BINUS University Accounting Student related to existence of IFRS convergence issue that will start applied fully in Indonesia in 2012 the coming, with key indicator is curriculum and syllabus taught, and research that conducted by Accounting Departement BINUS University related issue is referred as. Whereas second target is to know readiness of BINUS University Accounting Student in face of issue is referred as, with key indicator is the science of IFRS Convergence and understanding IFRS Up Dating. To follow share related to IFRS Convergence issue is not easy for Accounting Departement BINUS University as a teaching accountant organization. Much challenges that faced by Accounting Departement BINUS University, for example:

1. Education Matter available and indirect IFRS for university.
2. Textbook that just start enter matter IFRS and have not yet in big supply in Indonesia.
3. Lack of versed Human Resource and IFRS comprehend .

Although challenge is referred as quite weight, nevertheless Accounting Departement not silent just to follow play a part in face IFRS convergence issue . As for steps that planned and has been executed by BINUS University Accounting Department is:

1. Develop awareness from lecturers and Accounting student , specially, that there is change related to IFRS convergence .
2. Perform seminar that destined to all lecturer and Accounting Student, specially, that theme about readiness of in face of IFRS and the impact for education world.
3. Provide supporting matter have the shape of e-book about IFRS accessible in free of charge as the medium that given for informational about IFRS.
4. Perform workshop or training that destined to all lecturer .
5. Start alter study matter in order to in accordance with IFRS.
6. Design new curriculum that adapted for IFRS.

If seen from result kuesioner from totalize sample accounting student Binus University Grade 2006, 2007, and 2008, then there are some matter that can be concluded, that is:

1. Accounting Departement BINUS University in awareness to students its related IFRS Convergence issue in Indonesia is assessed quite succeed, remember a large part of students have knew that PSAK will be converted to IFRS.
2. Quite a lot student that has knew difference between PSAK and IFRS, that indicate that seminar that performed by Binus University Accounting Departement (one of role Accounting Departement BINUS University) quite succeed just grow awareness students its, but also informational and knowledge IFRS.
3. To the number of student that not control theory about IFRS compare straight with to the number of student that is assuming that textbook that is becoming their hold book now have not yet in accordance with matter IFRS. Student will be quicker control theory about IFRS if available books that comply with IFRS to support them control IFRS.
4. Students opinion to Accounting Departement BINUS University have frequently helped them in studying and comprehend IFRS and student frequently gets informations about IFRS from activity that carried out by Accounting Departement BINUS University . Not many students that feel ready for enter job world with existence of change of IFRS Convergence consequence in Indonesia. This will become serious matter if Accounting education in Indonesia, one of them is BINUS University, if they will unable to print accountant grad with acceptable interest in the world of activity.

IV.2. Suggestion

IFRS Knowledge Center can become one of step early for Accounting Departement BINUS University to improve awareness of students its for the importance of recognizes and IFRS comprehend . With the IFRS Knowledge Center even also there will be external advantage obtainable BINUS University Accounting Departement, specially for BINUS University by it self, to draw candidates student just step into BINUS University. Candidates student will know that BINUS University Accounting Departement not fails with other competitor univers ity, that always up dating and accomodate matter of Accounting program with labour market needs and growth existing accounting practice .

Will be better if Accounting Departement not only concerned about students its that still active course, but also its grad . By forum form or group learn, for example, to all grad BINUS University Accounting Departement , those in has worked and also in quest of job, can continue update their knowledge Accounting growth , that can become their value added in company eye. This condition of course will become value added also for BINUS University Accounting Departement, if grads and even its student, looked for by companies.

Besides for BINUS University Accounting Departement, very necessary for Accounting Departement Binus University student to be more aware with changes accounting practice in the world. Active find out issues, active enquire, and also active read. Deepen English-speaking ability also not less important. Books, study situs, and even for financial statement even also a lot has used English. That way, we will not feel difficulty, either in communicating or accounting comprehend , just because language constraint.

Although IFRS textbook have not yet in big supply in Indonesia, much other sources that offer information in common. Internet is fastest and friendly media to all student to be able to access IFRS informations. Some accessible situses in free by student to get information is referred as is: www.ifrs.com , www.cpa-exam.org, www.iaaer.org www.iasplus .com, www.ey.com, www.kpmg.com, www.pwc.com and www.imanet.org . Facebook Media also can be exploited to get information IFRS, like Indonesia IFRS Forum that frequently discuss IFRS and informational seminar and IFRS workshop .

Accounting Departement also provides access to get matter IFRS that can download in free as its cooperation with LKC in situs http://library.BINUS.ac.id/ebook_detail.asp?id=480.

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DETERMINING LEVEL OF CUSTOMER SATISFACTION FOR PRIORITY REPAIR COMPANY PERFORMANCE

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ABSTRACT

The research is intended to measure how the customers satisfaction level of services PT. Firna Protechnik and to know which factors that must be major priority dealing with that satisfaction level. The main theory using in that users' satisfaction dimension, gap analysis, and cartesius diagram model. The research method which is used is analysis descriptive with questionnaire as main instrument. The data analysis uses gap analysis between performance and importance, and cartesius diagram to decide the priorities. The results obtained indicate that the customer service PT.Firna Protechnik quite satisfied. The recommendation can be give to PT. Firna Protechnik is to improve factors (major priority) which cause dissatisfaction for the user

Keywords *:* customer satisfaction, gap analysis, cartesius diagram.

INTRODUCTION

Development of automotive technology and the number of users, especially passenger vehicles to encourage the rapid service business that supports the existence of these passenger vehicles. One of the business services that are closely related is the field of repair and maintenance services, especially repair and maintenance of passenger vehicles. Total demand for passenger cars in Indonesia has a tendency that continues to increase every year. The fast growing population and increasing purchasing power also increases the demand for passenger vehicles. The number of vehicles that more and more certainly needs the support of service providers, especially repair and maintenance services.

Customer performance is one important dimension in measuring company performance. One way to measure the performance of its customers is to measure customer satisfaction. Meeting the needs and customer satisfaction is a priority in running the business minded marketing. The productivity of many service companies is affected by the performance of the company relating to the service providers (labor) in service to its customers. The performance itself is a lot of customers depend on how the customer satisfaction towards the services provided. The ultimate goal of a marketing-minded business is profit through fulfillment and customer satisfaction. Customer satisfaction is a measure of how far the company can meet customer expectations related to various aspects of service quality. Customer satisfaction can be used also as an indirect measure of a company's success in meeting the needs and satisfaction of its customers.

Analysis of customer satisfaction can be used to evaluate the existing service system so that it will provide benefits for the company. Another benefit for the company's customer satisfaction measurement, among others, reduce costs, increase revenue, provide better management information, increase productivity and better staff morale, and various other benefits. Although maintenance and repair service company official (ATPM garage) already available, but the number was not proportional to the number of vehicles available. This is evident with the rise of business development services and maintenance of these improvements, especially in Jakarta as a city which has the largest population. PT. Firna Protechnik is one company providing services in maintenance and repair of passenger vehicles rather than the manufacturer who helped to enliven the competitive landscape maintenance services and repairs passenger vehicle. In connection with the demands and tastes change in space in the midst of market competition is very competitive, customer satisfaction measurement should be held to determine whether services provided are still appropriate for the company or to be renewed again. A very satisfied customer will remain loyal in the long term, and buy more when the company introduced new products and updating existing products. A very satisfied customer will also discuss the good things about the company and its products and offer ideas about products or services to the company. Customer satisfaction ultimately help determine the level of productivity that will impact the company profitability.

Based on that brief description has been presented, the authors are interested to measure and analyze customer satisfaction levels, particularly the maintenance and repair services provided in the PT. Firna

Protechnik to its customers. In addition to measuring the level of satisfaction would also like to know what are the factors that should be a priority improvement in addressing issues such satisfaction.

RESEARCH METHODOLOGY

This type of research used in this research is descriptive analysis with the aim to determine the independent variables (one variable) that is related to customer satisfaction with maintenance service and repair passenger vehicles. Descriptive in this study the intention is try to describe the results of customer satisfaction measurement variables that come to the conclusion of determining the level of customer satisfaction. Analysis of the results of the exposure means it tries to analyze and determine which variables could be the main priority for the company's improvements related to the level of satisfaction or dissatisfaction derived.

The study population is a customer service repair and maintenance at PT. Firna Protechnik. The sampling technique used is not random (non-random sampling), namely purposive sampling. The main data source of this research is the primary data (respondent / customer service repair and maintenance) with the main instrument questionnaire. Data were analyzed using gap analysis, and Cartesius diagrams. Validity and reliability testing conducted on 30 respondents (excluding the sample). by using the Product Moment test validity and Cronbach Alpha reliability test. Place the research is PT. Firna Protechnik engaged in the automotive field, especially passenger vehicles located in Jakarta. The focus of research attention is the customer's maintenance and repair services, especially passenger vehicles. When the study took place from 31 January to 30 March 2010.

The main theory used to analyze customer satisfaction is the five dimensions of satisfaction from Irawan (2001, p37-40), satisfaction / gap analysis of Kotler (2003, p61), and cartesius diagrams of Supranto (2004, p72). Guidelines in determining the question items used to measure customer satisfaction used five dimensions of satisfaction (quality of product, price, service quality, emotional factors, and convenience). Gap analysis in this study starting point of the definition of satisfaction (Kotler), which in essence is a gap between performance and expectations. Because using gap analysis in measuring satisfaction, then the beads of these questions categorized into two groups: the group performance and group expectations (importance) that ultimately resulted in a score value of the gap (negative or positive). Value of negative gap indicates dissatisfaction, and positive values indicate satisfaction gap. If we grouped into the level of satisfaction (using the formula of the class interval i = R / k), it will generate some level of satisfaction. The symbol i indicates the number of intervals from one level of satisfaction to another level of satisfaction, R is the range which in this case shows the difference between the largest gap (4) and the smallest gap (-4), the difference is 0.8. The symbol k represents the number of class intervals we want, in this study there are 5 (the level of satisfaction). From the values of performance and expectations can also be mapped into a diagram called a Cartesian diagram. From this diagram in the end in mind the factors that a priority that must be corrected variables associated with satisfaction. In summary determination of satisfaction in this research can be described within the theoretical framework of thought in figure 1.

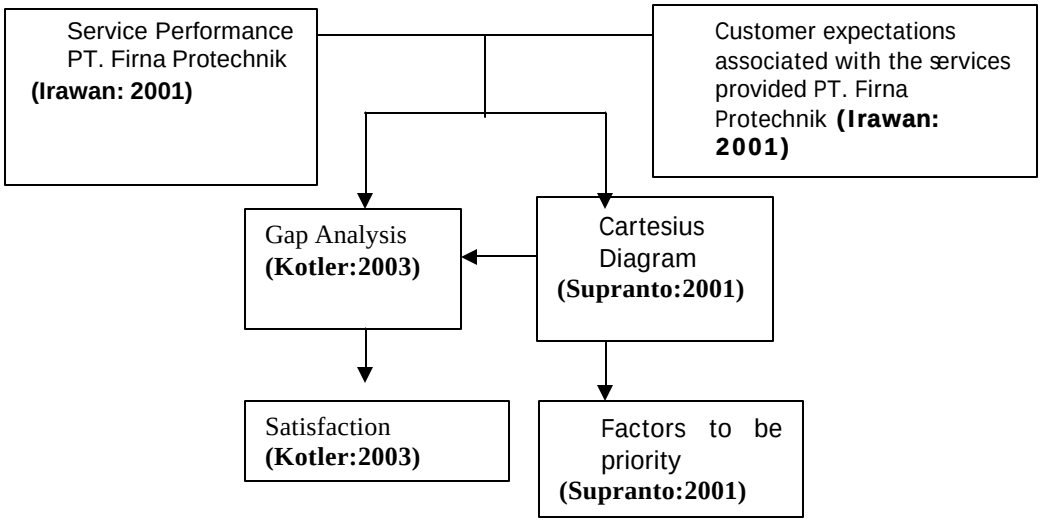

Figure 1. Theoretical Framework

RESULTS AND DISCUSSION

Processing Data

The research data were obtained from questionnaires on a sample of customers on the PT. Firna Protechnik (50 respondents) of the 50 questionnaires distributed, data showed that as many as 50 valid questionnaires (100%) who all returned and deemed fit for use as research data for all respondents fill out completely and in accordance with charging guidance. The questionnaire consists of two main parts to measure customer satisfaction with the services provided, namely the first part of PT service performance. Firna Protechnik, the second part of the customer's expectations related to the service (maintenance and repairs) provided by PT. Firna Protechnik. The core indicators in the form of grains of questions that represent 5 dimensions of satisfaction are as shown in table 2. To determine the validity of questionnaire items, the question was examined by using the product moment method. While to know the reliability of the items tested questionnaire questions using Cronbach Alpha. Those calculations used SPSS version 13.0 for windows. Testing validity and reliability of instruments is done by distributing questionnaires to 30 respondents. Validity test results with significance level of 5%, n = 5, with r value table 0.7, obtained all the questions (r values above the table) are valid. The overall grain question / statement is valid as shown in table 2. The test results of reliability (Cronbach Alpha) obtained an alpha value of 0.917. After doing the calculations and obtained the questionnaire that has been valid and reliable, then the questionnaire were distributed to 30 respondents to measure customer satisfaction with the service especially at PT. Firna Protechnik.

Gap Analysis

In gap analysis, there are two possible outcomes of value, the negative. and positive. Negative results indicate that customer expectation is greater than the performance information system, where it shows dissatisfaction with positive results indicate that the performance information system is greater than customer expectations, where it shows satisfaction. Furthermore, if classified by level of satisfaction (consisting of 5 levels: very dissatisfied, dissatisfied, quite satisfied, satisfied, and very satisfied). Gap analysis results per question, as a whole can be seen from table 1. Based on the table can be seen that the average performance and expectations mean yield gap of -0.61 (3.81 to 4.48). If we associate with the level of satisfaction (5 levels of satisfaction), it shows that customers of PT. Firna Protechnik feel quite satisfied (Figure 2). Furthermore, to look at the factors that a top priority for improvement related to dissatisfaction were analyzed by using the Cartesius diagram.

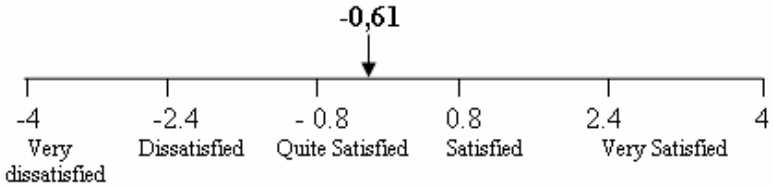

Figure 2. Determining Satisfaction Level

Cartesius Diagram Analysis for Each Item Question

Diagonal lines in the diagram states that customers' expectations with reality / performance information system (H = K). The points in the diagram shows the average respondent's answer to each question item. If the points are above the diagonal line (H = K), it means the customer's expectations is greater than the performance information system. Conversely, if the points below the diagonal (H = K), it means that performance information systems is greater than the customer's expectations. In the diagram shows that the whole point is above the diagonal line, it shows that the customer is not satisfied (higher customer expectations of performance information systems). From the points illustrated in the Cartesius diagram (Figure 3) can be seen that the grain instrument should be the top priority improvements associated with dissatisfaction results obtained, are the questions number 4,5, 8 and 9. As for the priorities based on the average performance and average expectancy per item questions that are mapped to the Cartesius diagram as a whole, can be seen in table 1.

The priority information of each quadrant in the Cartesius diagram are as follows. Priority Description:
Quadrant A (high priority): disappointing or not satisfied and the repairs should be a priority.
Quadrant B (maintaining performance): very satisfactory and must be maintained.
Quadrant C (low priority): less than satisfactory and is considered less important.
Quadrant D (excessive): very satisfactory but it is considered less important

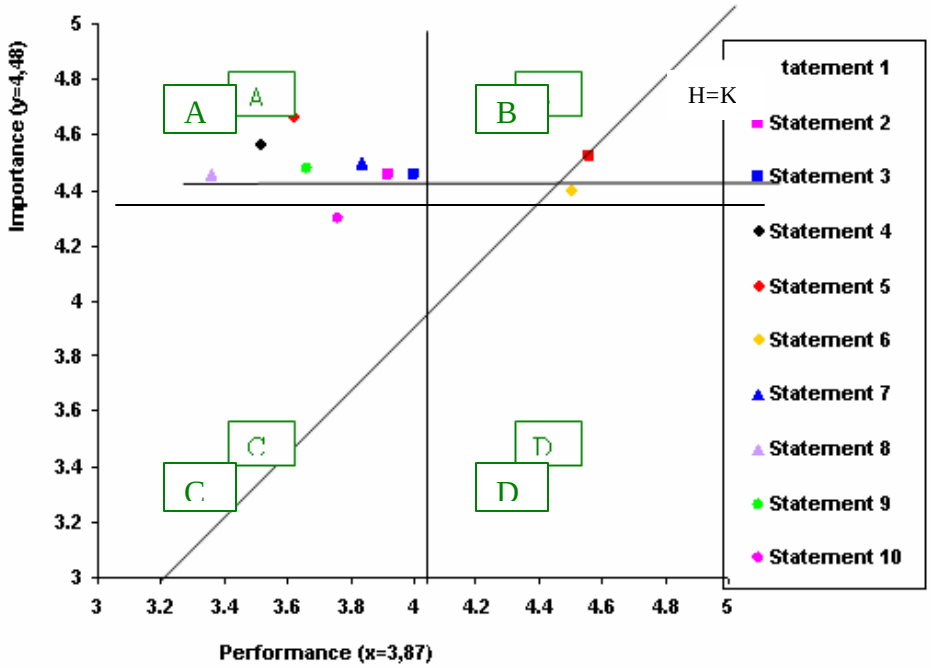

Figure 3.
Cartesius Diagram per-item Statement

Table 1. Determining Priorities Based on Average Performance and Importance per-item Question

No.	Statement	Performance Rating	Importance Rating	Performance ($\bar{x}$)	Importance ($\bar{y}$)	Priority
1.	Variations of spare parts being sold	225	226	4.56	4.52	**B**
2.	The durability of the products sold / paired	196	223	3.92	4.46	**B**
3.	Prices are cheaper than competitors	200	223	4	4.46	**B**
4.	The adjustment between price and quality of products sold	176	228	3.52	4.56	**A**
5.	Quality assurance as an experienced workforce in their fields	181	233	3.62	4.66	**A**
6.	The use of sophisticated technology in performing job	225	220	4.5	4.40	**D**
7.	Companies that are well known and it exists in their fields	192	225	3.84	4.50	**B**
8.	Companies are always able to finish any work that is	168	223	3.36	4.46	**A**
9.	Ease of contact this company	183	224	3.66	4.48	**A**
10.	Ease of conducting transactions with the company	188	215	3.76	4,30	**C**
	Total	**1,934**	**2,240**	**38.74**	**44.48**	-
	Average	-	-	**3.87**	**4.48**	-

Based on the results of mapping in the Cartesius diagram per item instrument, the high priority service improvements that must be done by PT. Firna Protechnik is the following factors: the adjustment of price and product quality, guarantees quality workforce, companies able to finish the job, and ease of contacting a company.

CONCLUSION

The results obtained showed that the level of customer satisfaction relating to the services provided by PT Firna Pro Technik are at Quite Satisfied. There are four priority improvements that should be done regarding the company repairs and maintenance services, which are as follows: the adjustment of price and product quality, guarantees quality workforce, companies able to finish the job, and ease of contacting a company

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THE ANALYSIS AND DESIGN OF WEB BASED MARKETING

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ABSTRACT

The aim of research is to produce a web based marketing system design which can assist the company in solving the problem they are facing. The research methodology is by book reviews, fact finding analysis method beginning by studying document, interviews, observation, research, question diagram design, entity relationship diagram design, screen design, process specification design, data dictionary design, Run result, and implementation design. The result achieved, the author found some problems in the current system ; that is, no media can provide fast new product information, product and marketing transaction is still performed manually, making mistakes in marketing record, It is difficult for the customers to get information about a product or to order to the firm. In conclusion, from the result of research, that with the presence of web-based marketing system, the information needed can be obtained fast and accurately by customers and support the company's operational activities, by having online marketing and ordering, the firm can provide its customers up-to-date information more completely and efficiently

Keywords : Analysis, Designing, System, Web-based , Marketing

1. Background

In this globalization era, the ability to compete in a business world depends very much on the use of information technology. In accordance with it, a company needs to apply the information technology to support its business development so that it can deal with the business competition which is getting tighter nowadays. In this case, the company can make use of the existing information technology using the internet facility.

The internet technology has been very much developed today and it has a fast access of information without being limited by space and time. With regard to it, web as an information resource in the internet has an important role. The internet provides any information, including product marketing and promotion.

By making use of the developed information technology, a company can focus on an appropriate marketing strategy. Therefore, the company can bear a business pressure, in which marketing is the crucial point in business activities.

The object of this study is a pharmaceutical trading-company which produces and sells herbal medicines. The existing marketing system of this company runs manually since it focuses on distributing the products to dealers or stores in Indonesia. Consequently, the market share is very limited. To solve such problem, a web-based marketing system needs to design in order to increase the company's market share and its customers. This marketing system is equipped with some features, one of which is online ordering that some of the competitors do not have. With this feature, the company can go a step ahead as compared to its competitors. Other features are also available to make the customers easier to get the information of the product and promotion, find desired products, order online, give comments (testimonies), asking questions, and convey criticisms and suggestions to the company.

Based on those reasons, a web-based marketing system needs to design so that the company's performance will increase. It is interesting to conduct research about "The analysis and design of web-based marketing system".

Scope

The study covers:

a Analyzing the marketing system of the trading company

b Designing a web-based appliance which supports online marketing system in which product ordering can be done using internet. The application also provides other features, such as: *news list, product, booking, contact us, abous us, search, login* dan *testimonials.*

Objectives

The objectives of the study are:

1. To design a web-based appliance to help the company in marketing the products.
2. To design a website which is easily accessed and has features that the customers are able to use easily.
3. To create a feature of online ordering.
4. To create a feature that can accommodate customer questions, criticisms, suggestions, and comments.

Functions

The result of the study may have several functions:

1. Expanding the company marketing so that the number of the customers increases.
2. Making the customers easier in getting the information of products and promotion, finding products and information about the company.
3. Making the customers easier to order products that it can be accessed for 24 hours from the internet. This ordering will then be processed by the administration department in the following morning.
4. Building a better relationship between the company and its customers.

Research methodology

1. Method of Collecting Data
   a. Library Study
      The library study is conducted by collecting data which are theoretically related to the problem of the research. They are gathered from books and references used as a theoretical background.
   b. Field Survey
      The survey is conducted to get data so they can be processed more objectively into some information. This survey applies an observation technique, i.e. direct observation toward the object of the research.

2. Method of Analysis

   In the analysis, an interview is conducted toward the company through the persons who are related to the problems. Direct observation is also done toward the existing system. In this step, the business opportunity is also analyzed using the methods of CSF (*Critical Success Factor*) and *E-marketing* stage 1-3 which covers: Framing the Market Opportunity, Formulating the Marketing Strategy, and Designing the Customer Experience.

3. Method of Design

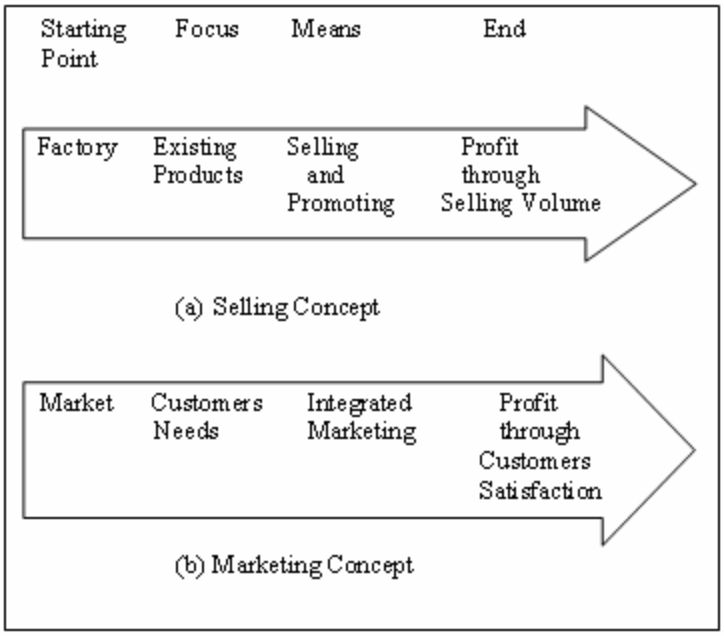
   It uses stage 4-7 *E-marketing* which involves: crafting the customer interface, designing the marketing program, leveraging customer information through technology, evaluating the marketing program, screen design and database design.

2. Theoretical Framework

The Concept of Marketing

According to Kotler (2001, p.23), the marketing concept deals with achieving an organization's objective that depends on the determination of the needs and wants of the target market, and on how to satisfy the customers more effectively and efficiently than the competitors do.

Figure 1. The Concept of Marketing and Selling
Source : Kotler (2001, p.23)



Marketing Mix

Kotler (2001, pp.71-75) defines *Marketing Mix* as a set of tactical components of a marketing plan which involves product, price, place and promotion. These four components are blended to obtain a response that the target market wants.

The marketing mix is classified into four major groups:

1. Product: the combination of products and services that a company offers to its target market.
2. Price: the amount of money that the customers have to pay to obtain the product.
3. Place (Distribution): It covers all company activities that make the product available for the targeted customers.
4. Promotion: all activities through which a company communicates the advantages of its products and persuades the targeted customers to buy them

The Marketing Information System

Kotler (2001, p.144) suggests that a marketing information system consists of people, equipment and procedures to gather, sort, analyze, evaluate and distribute pertinent, timely and accurate information for use by marketing decision makers.

In addition, Komaruddin (2003, p.250) says that a marketing information system can be defined by various means, i.e.:

1. A marketing information system is a structured and interactive complex consisting of people, equipment, and procedures designed to obtain information which is connected and organized, and gathered from inside and outside sources of a firm. It provides the basis for decision making within the particular responsibility of marketing management.
2. A marketing information system is one that is designed to obtain and distribute relevant and organized information to the marketing managers.

From the definitions above, it can be concluded that a marketing information system is a structured complex consisting of people, equipment, and procedures to gather, sort, analyze, evaluate and distribute information used in decision making within the marketing department.

The Concept of Internet

According to Turban, et.al. (2006, p.69), internet is a global system of interconnected computer networks. It is a network of networks that consists of cooperatively public facilities and able to run by itself that millions of people around the world can access.

Physically, internet uses part of the total resources of the existing public telecommunication networks. Technically, what makes internet differ is the use of protocols, which are called TCP/IP (*Transmission Control Protocol/Internet Protocol*).

The Definition of World Wide Web (WWW)

Turban et. al. (2006, p.69) define *World Wide Web* as an appliance using various functions of the internet transport; having a universally-accepted standard to store, draw, format, and display information through a client architecture (server).

McLeod (2001, p.59) points out that *World Wide Web* can also be called as *Web*. WWW and W3 are information rooms in the internet in which *hypermedia* documents are stored and can be drawn through a unique address scheme.

It can be concluded from those definitions that *World Wide Web* is an appliance having information rooms in the internet to store, draw, format, and display the stored information.

E-Marketing

According to Chaffey (2000, p.7), *E-marketing* is an application of the internet and other related digital technology to achieve the marketing goals.

E-marketing influences marketing in two ways. The first one is increasing the efficiency in the traditional marketing function, and the second one is that the *E-marketing* tecnology changes several marketing strategies, customer values and or increases company profits.

The Seven Stages of *E-marketing*

Mohammed et.al. (2004, p.8) suggest that there are seven stages in the *internet marketing*. They are:

Stage 1: Framing the market opportunity

It deals with analyzing the market opportunity and initializing the business concept for the first time by determining online and offline data to predict the market assessment.

Stage 2: Formulating the marketing strategy

Mohammed et.al. (2004, p.8) states that *E-marketing* strategy is based upon the corporate, business unit and overall marketing strategies of the firm. The marketing strategy goals, resources, and sequence of actions must be tightly aligned with the business unit strategy. The overall marketing strategy includes online and offline activities.

There are three concepts in marketing strategy, according to Mohammed et al (2004, p.90). They are:

1. Segmentation

The market can be classified into customer sub-units having similar characteristics in what they appreciate with regard to the product category, the service cost, or the characters that make them easily accessed by a certain marketing program. This process is known as segmentation, and the sub-units are known as market segment. It is generally the initial step in the marketing strategy process.

Mohammed et. al. (2004, pp.107-109) point out that there are four possible results, i.e.:

a. *No Change; b. Market Expansion; c. Market Reclassification; d. Reclassified Expansion; e. Targeting*

2. Targeting

Mohammed et. al. (2004, pp.110-112) point out that there are four possible results, i.e.:

a. *Blanket Targeting*

The company can find that online segmentation does not reveal something new, in which the general characteristics of the segment remain the same as offline segment.

b. *Beachhead Targeting*

The online customer segment is less than that of the offline segment. It probably describes a group of narrow preferences and possibly represents more particular tastes and preferences.

c. *Bleed-Over Targeting*
The online target segment involves some parts of the offline segment. It also clearly targets some other new customer segments.

d. *New Opportunity Targeting*
An online marketing strategy possibly selects a totally different target segment. The targeted customer segment represents the different needs and preferences as compared to those of the traditional offline segment.

3. Positioning
Positioning is persuading the customer perception about a product. It generally means creating a marketing message of a product so that it becomes more unique and valuable to the target market.

Stage 3: Designing the Customer Experience

Mohammed et.al. (2004, pp.8-9) state that a firm must understand the type of its customers so that it can deliver the values which are in line with the potential market. It should correlate to the company's positioning and marketing strategy.

There are three stages in Customer Experience according to Mohammed et.al. (2004, pp.129-142), that is:

1. *Experiencing Functionality*
2. *Experiencing Intimacy*
3. *Experiencing Evangelism*

Stage 4: Crafting the Customer Interface

According to Mohammed et.al. (2004, p.9), internet has shifted the market interaction habits from face-to-face interaction to screen-to-face interaction. The interaction relationship is now mediated by a technology, such as *Desktop PC*, *Sub-notebook*, *PDA, Mobile phone, WAP device* and other internet appliance.

Furthermore, Mohammed et.al. (2004, pp.161-162) propose seven components of customer face-to-face design, which is known as *7Cs Framework*. They are: a. context; b. content; c. community; d. customization; e. communication; f. connection; g. commerce.

Stage 5: Designing the Marketing Program

According to Mohammed et. al. (2004, p.10), the company has to make *go/no-go* decision within an option. Moreover, it is decided upon the target segment and the specific position that is expected to own as an expansion of the target customer. In this stage, it needs to design a particular combination of marketing activities to move target customers from awareness to commitment. The framework used to complete the task is called Marketspace Matrix.

Mohammed et. al. (2004, p.212) suggest that a unique customer-business relationship is considered to have four levels: *awareness, exploration/expansion, commitment,* and *dissolution*. It is important to note that the customers do not need to go through those four levels. Some customers move from awareness to commitment or other level.

In addition, Mohammed et. al. (2004, pp.13-15) propose marketing levers which consist of: a. Product; b. Pricing; c. Communication; d. Community; e. Distribution; f. Branding.

Stage 6. Leveraging Customer Information through Technology

According to Mohammed et. al. (2004, pp.625-665), there are three important processes of customer information. They are *Marketing Research* (providing information of quality and use of a product and service, hence the firm can determine the appropriate product and service), *Database marketing* (gathering the needed information), and *Customer Relationship Management* (building strategies so that the existing customers remain loyal).

Stage 7: Evaluating the Marketing Program

Mohammed et.al. (2004, p.18) suggest that the final stage covers the evaluation of the overall internet marketing program. It deals with manageable focus on parts of the customers and *metrics financial*.

Problems

The problems that may occur are:
1. It is difficult for the customers to get information about a product or to order to the firm because it still uses telephones or faxes, in which the lines often happen to be busy and the work hour is limited.
2. Product marketing and promotion are still conducted manually, in that they come to the customers one by one, thus the process of promotion becomes less effective and efficient.
3. The infrastructure that accommodates customer criticisms and suggestion are not yet available, hence a good relationship between the firm and its customers is not yet enhanced.

Alternatives of Problem Solving

There are some alternatives to solve the problems:
1. Designing a web-based system which is easily accessed so the customers are easy to get information of a product and order it online. It can be accessed for 24 hours for the admin person can process in the following morning.
2. Conducting a promotion through the internet (website), so there will be more people knowing the product offered.
3. The feature that accommodates customer criticisms and suggestion can increase a good relationship between the firm and its customers.

Conclusion

1. The analysis which is conducted using 7-stage of e-marketing indicates that the company has a good position, as having supporting resources, good and guaranteed product, strategic location, and skilled employees. The firm also has supporting opportunities, as the strategic location and having products that are good in quality and safe. Moreover, the main priority of its marketing has covered the target customers in the area of Jabodetabek (Jakarta, Bogor, Depok, Tangerang and Bekasi), the surrounding area of Jakarta, whereas the second priority covers an area outside Jabodetabek. This is seen from the firm's geographical segmentation, with the firm having more than 100 skilled employees to support operational activities, and applied the computer technology to store its data.

2. One of the efforts to increase the market share of the firm's product is by designing a website that supports the system of its product marketing. By having online marketing and ordering, the firm can provide its customers up-to-date information more completely and efficiently. This way, the firm provides its customers comfort and ease. It is important in a tight business competition to have customers or potential customers that are easy to get information.

3. The easily-accessed website and its easily-applied features make the customers easier to find information of a desired product and other company's information. This can also make the customers recognize more about the product and company's details.

4. The appliance also provides a feature of online ordering that makes the customers easy to order a product. It can be accessed for 24 hours through the internet network for which the admin person processes in the following morning. This can increase the firm's competitive advantage as compared to other firms.

5. The appliance is equipped with a feature that accommodates the customer questions, criticisms, suggestion and comments about the products they have or have not used. This can increase a good relationship between the firm and the customers.

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THE COMMUNITY INVOLVEMENT AT THE TOURIST VILLAGE OF JATILUWIH TABANAN REGENCY BALI PROVANCE*

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ABSTRACT

The community involvement at the Tourist Village of Jatiluwih are expected to directly benefit the local community economically, socially, culturally, and environmentally. However in fact, the tourism development at the Tourist Village of Jatiluwih is far from what has been expected by the local community. This can be exemplified by the fact that the local community is not directly involved in the tourism development, the management of the tourist village is dominated by the administrative village, the community involvement gets hegemonized, and the conflict of interests among the stakeholders takes pace.

Based on the gap between the fact and what has been expected above, the problems investigated in this research are formulated in several research questions as follows. (1) how can the tourism development at the Tourist Village of Jatiluwih be described? (2) how can the community involvement in the tourism development at the Tourist Village of Jatiluwih be described? (3) What is the impact and meaning of the community involvement at the Tourist Village of Jatiluwih?.

This research applies qualitative method, aiming at understanding and analyzing the community involvement at Tourist Village of Jatiluwih. The problems in this research are solved by using some relevant theories such as hegemony theory, co-modification theory, deconstruction theory, discourse of power/knowledge theory, and community-based tourism development theory.

The community involvement in the tourism development at the Tourist Village of Jatiluwih can be observed in five stages, namely preparation stage, planning stage, operating stage, development stage, and supervision stage. The community involvement at the Tourist Village of Jatiluwih affected the management of the tourist village, the pictures taken by the tourist, the absorption of local workforce, the philosophy of *Trihita Karana* (*parhyangan, pawongan*, and *palemahan*) got despised. The tourism development and community involvement cause meaningfulness to the community welfare, meaningfulness to conservation, and meaningfulness to empowerment.

The conclusions of this research are as follows. First, the tourism development at the Tourist Village of Jatiluwih resulted in co-modification and conflict of interest. Second, the community got involved in the tourism development at the Tourist Village of Jatiluwih by participating in the preparation, planning, operating, development, and monitoring stages. Third, the tourism development and community involvement at the Tourist Village of Jatiluwih affected the management of the tourist village, the pictures taken by the tourists, the absorption of the local workforce, the philosophy of *Trihita Karana* (*parhyangan, pawongan*, and *palemahan*) got despised. The community involvement were meaningfulness to welfare, meaningfulness to conservation, and meaningfulness to empowerment.

Key words: tourism development, community involvement, tourist village, *Trihita Karana.*

INTRODUCTION

Background

The development of cultural tourism, as a reliable tourism, is based on the culture and life of the community where it is developed. This means that tourists demand for the tourist products which are related to the life and culture of the local community. Thus, it is expected that there is a mutual relationship between the local community and its culture. According Ardika (2003) such a mutual relationship should benefit one another, meaning that tourism should be able to enhance the culture and that at the same time the culture itself should contribute to the progress of tourism. The relationship between the developments of culture and national tourism is expected to result in such an optimal acceleration that it will be able to improve the welfare of the community, to create job opportunities , to minimize poverty and to distribute development evenly.

Bali has been one of the Main Tourist Destinations in Indonesia and even in the world as it has various tourist assets and has attracted many tourists. To maintain and increase the number of visits to Bali made by both the domestic and foreign tourists, the Government of Bali Province, with its community, has diversified the tourist products in addition to having kept good security (Bali Post, 22 April 2006), which is an investment in tourism industry, and enhancing the local community awareness of tourism. The diversity of tourist products created has basically referred to the Bali's potentials and abilities by involving the local community as the essence of the development. In the perspective of cultural studies, the development of tourism has been a reaction against the developmental failure done by the modernization created by the First World for the Third World. According Mowforth and Munt (1998:53), the development of tourism has been a correction of the tourist products created by applying the approach of *fordism* (an approach by which a great number of homogenous products are produced) and has been an effort made to apply the approach of *postfordism* (an approach by which a small number of heterogeneous products are produced).

To make the management of tourism involving the local community able to maintain the environmental balance and harmony and satisfy the tourists, sustain the existing social system, culture and economy, the development of tourism in Bali cannot be separated from the local genius of *trihita karana,* which refers to the balanced relationship of three elements. They are *parhyangan* (the relationship between man and his God), *pawongan* (the inter relationship of human beings), and *palemahan* (the relationship between man and his environment).

The development of tourism, in addition to being dominated by the discourse of sustainable tourism development, is also dominated by the discourse of community-based tourism. The community-based tourism refers to an approach in tourism which is completely different from the conventional one so far conducted. It refers to the centralistic or top-down approach, which used to be strongly dominant during the New Order, as it restricted the ideas coming from the community, especially the ideas related to the community involvement in the development of tourism. Besides, during the New Order, many accusations related to the development of tourism were made to the government. The local government was accused of damaging environment, being unable to control the free growth of tourism, not taking actions against the malfunction of space lay out, paying no attention to the islands taken away by the capitalist, paying no attention to functional switch of agricultural areas, and many others which have contributed to the damage of Bali. Furthermore, tourism was utilized as the open arena of political fights which led to an increase in opposition against the government and different insights between Bali and Jakarta. While Jakarta wished that the tourism in Bali were developed without limitation, the Bali intellectuals suggested that the "specific" villages were conserved in such a way that their originalities could attract the tourists.

Based on the above accusations and to accommodate the two pressures, the government of Bali, in the International Conference on Cultural Tourism in Jogyakarta held in 1992, announced the development of Jatiluwih Village, Tabanan Regency, as an tourist village. Such a development has been expected to involve optimally the local community through social, cultural and economic activities in the tourist products offered.

In fact, most of the local community members did not feel the usefulness of the development of tourism at the Tourist Village of Jatiluwih. What happened was that the involvement of the local community in the tourism development in the village was so limited that conflicts of interests took place between the government and the local community. While the government supported the capitalistic entrepreneurs of tourism, the local community opposed to the government hegemony.

Based on the background describing the gap between what was expected (das sollen) and the fact (das sein), the research focus is the involvement of the community in the development of tourism at the Tourist Village of Jatiluwih, and the impact and meaning of the community involvement at the Tourist Village of Jatiluwih.

Problem Formulation

The problems of the research are formulated as follows (1) how can the involvement of the community in the development of tourism at the Tourist Village of Jatiluwish be described?; (3) What is the impact and meaning of the community involvement at the Tourist Village of Jatiluwih?

LITERATURE REVIEW AND THEORETICAL FRAMEWORK

Literature Review

As literature review, two research previously conducted and related to the tourist village are reviewed. The differences between this research and those previously conducted are on the research approach, the subject of the research, and the problems discussed. While the approaches applied in the previous research were cultural and sociological, the one employed in this research is cultural studies with multidisciplinary and interdisciplinary discussion. While the subjects of the previous research were the traditional villages, the subjects of this research are the traditional village as well as the administrative village. Viewed from the

problems formulated, whereas those formulated in the previous research were related to the empowerment of the community and general things such as lay out and what dominantly operated the tourist village, those formulated in this research are related to the development of tourism at the tourist village, the community involvement in the development of tourism at the tourist village, and the impact and meaning of the development of tourism and community involvement at the tourist village. Based on what has been traced, the research related to the tourist village previously conducted can be described as in Table 1 below.

Table 1
The information obtained by tracing the research previously conducted

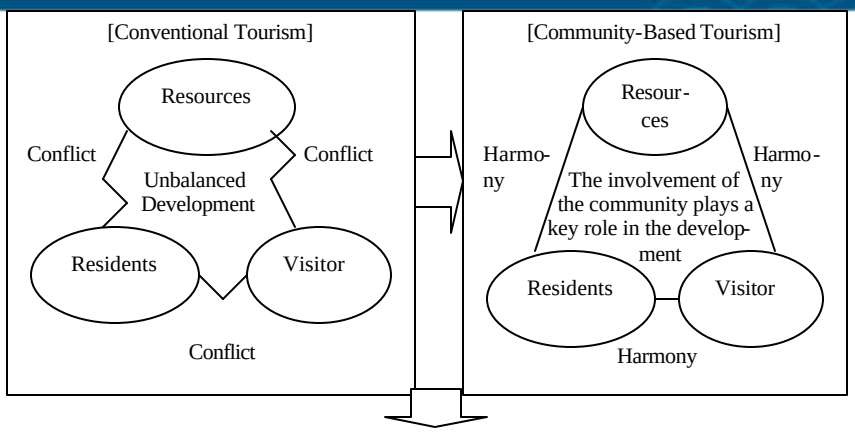
No.	Researcher	Approach	Substance
1.	Arka (1999)	Cultural Paradigm	? The problems discussed were why the traditional village of *Penglipuran* was developed as an integrated tourist village, the attempts made to empower the traditional village as an integrated tourist village, and the meaning of such an empowerment to the community of the traditional village of *Penglipuran*. ? The subject of the research was the community of the Traditional Village of *Penglipuran*.
2.	Pitana (1999)	Sociological	? The problems discussed were general in nature such as arrangement of layout, construction of parking lots, and domination of the administrative village over the traditional village when running the Tourist Village of *Jatiluwih.* ? The subject of the research was the community of the Traditional Village of *Jatiluwih*.

In addition to the two researches above, the research conducted in Bali by Bagus (2002a; 2002b; and 2002c) and Ardika (2003) on the application of the community-based tourism and tourism in Bali are also referred to. This research presents the tourism in Bali which is directed to environmental safety, appreciation of the concepts of preservation and conservation, and appreciation of the community and local culture.

Besides, several relevant books are also referred to in this dissertation such as:

(a) The book entitled *Tourism in South-East Asia*. This book discusses the global tourism, especially the tourism in South East Asia in various dimensions. The book edited by Hitchcock, King, and Parnwell in 1993 containing articles discussing a lot about the recent development of tourism in Bali and Indonesia is also referred to. From the references mentioned above, if related to this research, the information on the following can be obtained sustainable tourism, environmentally-oriented tourism, the image of tourism, local culturally-oriented tourism, the local community in connection with the development of tourism, hand-made souvenirs made by the local community, tourism in connection with preservation and conservation, the local human resources in the development of tourism, the role of *banjar* (traditional neighborhood) in the development of tourism, community-based tourism, and tourism with local genius.

(b) The book entitled *A Guidebook for Tousism-Based Community Development* edited by Natori (2001). It differentiates the development of conventional tourism from the community-based tourism development as follows. In the model of the development of conventional tourism, the interaction among resources, residents, and visitors is not balanced resulting in conflict. However, the model of the community-based tourism development, resources, residents, and visitors interact harmoniously and the community plays a key role in the tourism development. The differences of the development of conventional tourism from the community-based tourism development can be described as in Picture 1.



* Development is meant to create welfare for community
* Revitalization of community through the utilization of resources
* Tourism is promoted to be in harmony with the local life and environment
* Responding capacity to increase demand for tourism

Picture 1
Concept and Significance of Community-Based Tourism Development
Source: Natori (2001: 6)

Theoretical Framework

Five theories are eclectically applied to investigate and analyze the problems in this research. They are the theories of hegemony, comodification, deconstruction, discourse of power/knowledge, and community-based tourism development.

According Gramsci (1976), hegemony refers to the critical thinking which directs someone or a group of people to follow what is intended by applying the approach of political leadership and ideology based on either direct, indirect, open or close consensus or agreement, and the components available in the community. This theory is relevant to investigate and analyze the problems related to the involvement of the community in the Tourist Village of Jatiluwih, Tabanan Regency.

Comodification, according Barker (2005), refers to capitalism which makes something directly realized or calculated as a commodity for sales in the market. This does not only take place in the aspects of production but also in the aspects of consumption and distribution. This theory is used to investigate and analyze the problems related to the the community involvement in the development of tourism.

Deconstruction refers to the model of analysis related to the "deconstruction" of various constructions, paradigms, structures (including the structures of language, power and the institutions of social objects) without destroying the existing elements in such a way that new constructions will be created with new orders which are more significant to the essence of the objects and aspects of the analysis so that they can be maximally used (Derrida, 1976). This theory is employed to investigate and analyze the meaning of the community involvement at the Tourist Village of Jatiluwih, Tabanan Regency.

According Foucault (2002), the discourse of power/knowledge refers to the knowledge used by a particular individual or group as a strength to oppose what is intended by his/her/its rivals. In this case, power is put intro practice within a scope, in which there are strategic positions which are related to each other. This theory is used to explore and analyze why tourism is developed at the Tourist Village of Jatiluwih, and how power/knowledge operates in the community involvement in the development of tourism at the Tourist Village of Jatiluwih, Tabanan Regency.

The development of the community-based tourism, as the crystallization of the critical theories (Agger, 2003), refers to the development which is focused on the application of the bottom-up approach, which is opposed to the conventional development. What is meant is that it involves the community in every stage of the development of tourism for the community welfare. This theory is used to investigate and analyze the problems related to the community involvement at the Tourist Village of Jatiluwih, and the impact of the community involvement at the Tourist Village of Jatiluwih, Tabanan Regecy.

RESEARCH METHOD

In accordance with the characteristics of cultural studies, this research was conducted by applying qualitative method and descriptive-qualitative analysis. Such an analysis has something to do with interpretivism (postpositivism), the research paradigm which aims at understanding social phenomenon.

This research was conducted at the Tourist Village of Jatiluwih, Penebel District, Tabanan Regency, Bali Province. There are several reasons why the Tourist Village of Jatiluwih was chosen as the location of the research. They are (1) it has great potentials which can attract tourists which are in the forms of the beautiful nature of terraced rice fields, authenticity of archeological remaining such as Luhur Petali Temple, various arts (sacred or non sacred), the existence of *jineng* (a traditional building where rice is stored) in front of the villagers' houses. (2) it is proposed to be a world heritage. (3) There is a reality at the location where the research was conducted that economically most of the community members are not directly affected by the development of tourism at the Tourist Village of Jatiluwih. (4) The main potentials owned by the Tourist Village of Jatiluwih are the natural view of the nature, the farming culture which is in accordance with what is demanded by the tourists who are interested in culture, the rural nature, and the interaction among human beings.

In this research, the instruments which were employed are (1) the researcher was the main instrument for collecting and interpreting the data; (2) a list of questions in the form of interview guidance containing open questions which were possibly made to be more specific; (3) field notes, which were used for taking notes of what was seen, experienced and heard during the data collection at the field; and (4) tape recorder and camera, which were used to record the interview results.

The data needed in this research was collected by applying some techniques such as observation, interview and documentary study. The techniques used to analyze the data in this research were descriptive qualitative and interpretative techniques.

DISCUSSION

The Community Involvement in the Tourist Village of Jatiluwih Tabanan Regency

The community involvement in the Tourist Village of Jatiluwih in the form of participation may be viewed in five stages. First, at the stage of preparation, to what extent the community participated in the process of socialization to welcome the development of the Tourist Village of Jatiluwih.

Secondly, at the stage of planning covering the identification of needs and the analysis of ability. In this stage, the community participation was functional in nature, meaning to what extent the local community participated in what had been planned by the experts coming from outside the village who were trusted to develop tourism at the Tourist Village of Jatiluwih.

Thirdly, at the stage of operating, which consisted of physical participation and non physical participation. In the physical participation, the local community participated by (a) mobilizing itself, meaning that the community with full awareness built the physical facilities needed to support the development of tourism at the village. This was realized in the establishment of the post of retribution at *Dusun* Kesambi and *Dusun* Gunungsari Desa (*dusun* refers to neighborhood) and the establishment of Jatiluwih Café. One community member also established one inn; (b) participation given in the form of incentive materials, meaning that the local community participated in preparing the sources needed such as traditional building (twelve-pillared house) which was comodified into "sample house". The non physical participation of the community was shown by (a) mobilizing itself, meaning that the community with full awareness learned particular foreign languages in relation to the development of tourism at the village, learned arts in the forms of *gamelan* orchestra and dances; (b) interactive participation, which was realized by sending five young people to a formal educational institution of tourism.

Fourtly, at the stage of development, in which the community participation was spontaneous in nature. Some members built and managed tourism related businesses such as establishments of accommodation, laundry, and silver smith, stalls of food and beverages, and stalls of daily needs.

Fively, at the stage of monitoring, in this stage the community participation was more in the form of monitoring which was practical and preventive in nature to prevent the village from being polluted with negative actions. In general, the community participation was manipulative in nature for two reasons. The first reason is that the development of tourism did not work perfectly and the second reason is that the local community did not have the power for attending to and monitoring the development of the village as an tourist village. As a result, the process of reinforcement and revitalization could not work well.

The community involvement at the Tourist Village of Jatiluwih affected (1) the management of the tourist village; (2) the pictures taken by the tourists; (3) the absorption of local work force, and (4) the philosophy of *trihita karana* (*parhyangan*, *pawongan*, and *palemahan*) was despised. Viewed from its meaning, it was meaningful to the community welfare, conservation, and empowerment.

Firstly, being meaningfulness to the community welfare is the manifestation of the concept of welfare in Hinduism, that is, *moksartham jagadhita*. This concept is framed by the concept of *caturpurisa artha (dharma, artha, kama, moksa)* and the concept of *pancayadnya* to harmonize the implementation of *trihita karana* for the welfare of the local community. *Pancayadnya* refers to the religious rituals which, in this case, were packed in such a way using expressive symbols that it could reveal the multidimensional meaningfulness according to the time, place and situation. Welfare resulting from the development of tourism was considered dialectics of welfare by most the Jatiluwih Village community members.

Secondly, as far as its meaningfulness to conservation is concerned, disharmony between culture and ecology took place. Ecologically, the land which should have been used to support the forest has been converted into the location where accommodation was built. As a consequence, to maintain cultural, social and ecological sustainability, the sense of diversity should be taken into consideration in developing tourism at a tourist village.

Thirdly, as far as its meaningfulness to empowerment is concerned, it expressed collective awareness, ideological approach, openness, mutual love and assistance and solidarity contained in the ideology of the development tourism, that is, the welfare of the local community. However, only a few community members got empowered, meaning that the ideology to develop tourism for the community welfare did not fully take place yet.

CONCLUSIONS

The conclusions which can be withdrawn from this research are as follows. First, the development of tourism at the Tourist Village of Jatiluwih resulted in comodification, conflict of interests, and hegemony from the government. Secondly, the community got involved in the development of tourism at the Tourist Village of Jatiluwih by participating in the preparation, planning, operating, development, and monitoring stages. Thirdly, the development of tourism and the involvement of the community at the Tourist Village of Jatiluwih affected: (a) the management of the tourist village; (b) the pictures by the tourists; (c) the absorption of the local work force; (d) the philosophy of *trihita karana* (*parhyangan*, *pawongan* and *palemahan*) got despised. With regard to the meaningfulness of the development of tourism and the community involvement, they were meaningfulness to welfare, conservation and empowerment.

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COMMUNITY PARTICIPATION FOR SUSTAINABLE TOURISM IN HERITAGE SITE: A CASE OF ANGKOR, SIEM REAP PROVINCE, CAMBODIA

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ABSTRACT

This research investigated the community participation for sustainable tourism pf local residents who live within 4 communes around Angkor heritage site. The research aimed to examine the existing circumstance of community participation in sustainable tourism at Angkor, investigate the government measures for sustainable tourism development, the influence of stakeholders that promotes the community participation for sustainable tourism development at Angkor and propose guidelines for community participation in tourism management for sustainable tourism development at Angkor, Cambodia. The results showed that the existing community participation in tourism management for sustainable tourism development at Angkor, the government should encourage community participation in all kinds of tourism activities, more especially local people should be given opportunity to get job and directly income generating businesses. The Government and private sector also give attention to support the development in terms of physical construction area, improve the dimension of management by increasing other tourist facilities, and establish a participatory and environmental friendly plan and policy for sustainable development of tourism.

Key Words: community participation, tourism management, sustainable tourism, Angkor, Cambodia.

INTRODUCTION

Over the decades, tourism has experienced continued growth and deepening diversification to become one of the fastest growing economic sectors in the world. Modern tourism is closely linked to development and encompasses a growing number of new destinations. These dynamics have turned tourism into a key mechanism for socio-economic progress in developing countries as well as Cambodia, tourism can be used as a source to encourage the economic development. Tourism creates better living conditions to the local residents, provides tax revenues to governments, creates new tourism jobs and businesses, and keeps rural residents from moving to overcrowded cities (WTO, 2007).

The kingdom of Cambodia is situated in South-East Asia, which is one of the popular destinations in Asia. As this country is rich of cultural and natural resources, Cambodia's tourism industry continued to grow in 2007, with international visitor arrivals reaching a total of 2,015,128; an 18.53% increase compared over 2006 figure of 1,700,041. Siem Reap Angkor arrivals had increased with 1,120,586 visitors, representing 55.61% an amazing 30.83% growth from last year, while Phnom Penh and other destinations had brought in a total of 894,542 visitors (44.39%)(MOT, 2008).

Tourism is Angkor Cambodia is very famous after it became a world heritage site in 1992. This heritage value of Angkor is a leading example in the tourism industry where environmentally and socially responsible tourism practices are taken to help protect the natural and cultural heritage. Therefore, Angkor has now become an international well-known tourism attraction. As a consequence, the increasing numbers of tourist and visitors as well as the number of establishments in Angkor are not only promoting benefits, but there are also some drawbacks, such as overuse of resources and poor implementation of sustainable tourism. It is worthy to note that there has still been and unclear defined direction for community participation at local level in tourism development at Angkor and the surrounding communities. The local people are often reluctant to participate in many tourism activities. As a result, sustainable tourism development is crucial in practice and lacks visible achievement. To maintain the economic, environment, and socio-cultural benefits and eliminate the tourism drawbacks, local people participation in tourism development is the key tool to sustain the tourism resources and those benefits. A locally accepted approach of community participation in tourism management for sustainable tourism development is necessarily required.

COMMUNITY PARTICIPATION IN TOURISM

Cernea (1991) defines community participation as giving people more opportunities to participate affectively in developing activities and empowering people to mobilize their own capacities, be social actors rather than passive subject, manage their resources, make decisions, and control the activities that affect their lives. Participation is not a one way process, but a mutual learning and action experience for all concerned parties including professionals, academics, facilitators, government officials, entrepreneurs and local communities.

Chaisawat and Chamnina (2006) mentioned role of community in sustainable tourism development to bring local people to participate and get involve in tourism development. It is very useful to create public awareness to the tourism towards the development of an educational curriculum about the value of tourist exchange, their economic, social and cultural benefits and risks associated with tourism industry. These educational curriculums should be applied in the local primary and secondary community schools.

Community participation is the central to many tourism development strategies, both in the developed and the less developed world and constitutes one of the key objectives for the sustainable management approach of resources (Plamer and Lester, 2005). Stating the value of community people, community people can provide in-depth insight into heritage tourism and have a clearly practical dimensions and indicators relating to community identity in the assessment, planning and management of this type of tourism (Esteban and Macarena, 2006). In addition, Roberta and Lee (2003) identified the importance in heritage tourism and mentioned that culture, which is often well preserved in rural areas, is a valuable resources to include, and that community-based partnerships such as cooperatives be very effective.

On the other hand, Li (2006) had completely different idea about community participation. Indeed it is an interesting finding itself and needs to further verification. Generally, Western scholars think that active local participation in decision-making is a precondition for benefits reaching communities. In developing countries, however, this paradigm is difficult to put into practice owing to various constraints. It is demonstrated that despite weak participation in decision-making processes, the local community can benefit sufficiently from tourism. It means that some scholar has given more preference in participation and some give less preference. But can conclude that the developing countries like Cambodia it is very important to have community participation in decision making in order to implement tourism plan successfully.

Cultural Heritage Tourism

Tourists are interest in people's value, attitudes and way of life as they are part of culture in addition to the more significant culture monuments. Culture tourism is a learning experience either about them or about other culture. Many people see culture tourism as a way of being involved in cross-cultural exchange that provide for contact with people from other places and cultures. For other, it is an opportunity for celebration and pilgrimage and finally for some it is an important intellectual and learning exercise entered on various dimensions of cultures (Provincial Investment Plan, 2007-2009).

Cultural heritage tourism is a major force in tourism planning and development. It requires multidisciplinary participation and involves a large number of specialists and actors to deal with the tension of preservation culture on one hand, on the other hand, using it as a mean of creating income. From the challenge Cambodia adopted an integrated professional approach to dealing with various dimensions of it cultural heritage. It requires well planned and manage research and demonstration.

Policy on Sustainable Tourism Development of Cambodia

The Cambodian Tourism Planning is based on the principle that tourism development must reduce poverty, ensure the equitable distribution of tourism revenues and accomplish this in a well plan and manageable manner. The plan is established based on sustainable tourism principles proposed by the United Nations as well as the World Tourism Organization (MOT, 2001). These principles include:

1. Poverty alleviation and achieving gender and social equity within a social planning and development context.
2. The protection of heritage in all at dimension (natural and cultural heritage as well as the traditions and value of the Cambodian people).
3. Revenue capture by the local community.
4. Effective monitoring to ensure that community plans as well as national policy objectives are met.
5. Local involvement in both planning as well as economics activities is ensured. Capacity building and the creation of mechanisms for the support of small and medium enterprises will be explored whenever appropriate.
6. Emphasis on formulating strategies that will create opportunities within the more disadvantaged area of the country.
7. Ensure that development policies (including public work and transportation and bus and road network) are supportive of protecting and promoting the various attractions in the country.

The needs as many stakeholders to be involve in decision-making and resource allocation.

METHODOLOGY

A mixed research method quantitative and qualitative was adapted to analyze the potential of establishing community participation. Ten in-depth interviews and 380 questionnaires were conducted to collect the primary data from local communities, representatives from tourist business sector, government agencies, APSARA Authority and private sector in June 2010. Questionnaires were used with local residents from the local community (4 communes), namely Nokor Thom commune, Kouk Chak commune, Preah Dak commune and Leang Dai commune as the main target population of the research. The residents were the representative people in each household with the age at least 18 years old and living with their family at Angkor.

RESULTS

Demographic Characteristics of Respondents

The majority of respondents were female that contributed 53.4% or 203 persons and the rest of 46.6% or 177 persons were male. The key informants (146 or 38%) were mostly in the age rang of 18-30 years old, followed by the age group at 31-45 years old (114 or 30%). In the meanwhile, respondents over 60 years old were only 10.3%. The reason was that when the researcher administered the survey to the sample households, the adult family members who were literate in the family carried out the questionnaire. Neither too young not too old age groups participated in the survey. When there were more than one adult in the family presented at the time of the survey, the family was free to choose the representative to answer the questionnaire. Therefore, the majority of respondents were in 18-30 years old age group and they sometimes decided to answer after discussing with all family members.

Of the total 380 respondent, 49.2% were married group. Followed by 35.3% single, 12.6% widowed and 2.9% divorced. Single respondents, which proved that in this society, stay single due to modernizing and coping western culture.

Regarding the religion, the majority of respondents were Buddhist that contributed 92.4% from a total 380 respondents. Muslim person were 3.7%, followed by 2.4% of Christian. There were 1.3% of respondents from other groups of religion were not mentioned. Interestingly, since Angkor is the Hindu religious place only 0.3% were Hindu respondents.

Interestingly to the note people in Angkor area quite educated. The majority of respondents (172 or 45.3%) had educational background in high school level, followed by 18.2% respondents with education at primary school level had primary level and 12.9% respondents secondary school level. There were 8.7% illiterate. Only 2.9% respondents who graduated at master's degree held. It showed that people in the Angkor area are quite educated.

The main group of respondents (84 or 22.2%) were in agricultural farming, which indicated a rural villager's traditional occupation, followed by students at 22.1% because they were more conscious about tourism and they were active participants for this research. There were 14.2% respondents who owned self business, followed by 7.9% drivers, 6.1% working at hotel business and 5.8% having government job. Remarkably, 5.5% respondents were working at APSARA Authority.

Concerning with monthly household income, 143 (37.5%) respondents' household income was less than 200,000riel per month. This was compatible with the main occupations of residents that were agriculture-farming and students. The second largest range of income was 300,001-500,000riel (23.7%), followed by the income range at 200,001-300,000riel per-month (15%). Only 12.4% respondents earned more than 1,000,000riel Cambodian currency.

As anticipated, most respondents (244 or 64.2%) were not involved in tourism business sector. While 146 or 35.8% respondents were involved in tourism. Out of total 380 respondents, 22.26% was operating souvenir shops, followed by 20.24% involving in hotel business, 17% of restaurant owners and 14.98% running guesthouse. There were 5.25% of respondents working as tour guides or tour guiding business.

Community Opinion with Tourism Development and Management at Angkor Heritage Site

Community opinion about tourism, sustainability and tourism management at Angkor Heritage Site was collected by using 380 questionnaires. The result of community opinion as illustrated in Table 1 were classified in 5 level: no opinion, strongly disagree, neutral, agree and strongly level.

There were 27 indicators about tourism, its benefit, effects, knowledge, sustainability issues and participation as shown in Table 1 below. The result of most of the indicator showed that people were strongly agreed, however, there were three indicators showing agree level (enhance community pride in unique culture, participation in planning and public relation through media). Importantly, there were 6 indicators indicating no opinion were: preservation of the cultural heritage, tourism degrades local natural environment, involve in training and meeting, involve in tourism exhibition, directly noticed from the responsible person.

Table 1
Community Opinion with Tourism Development and Management
at Angkor Heritage Site

No.	Key Indicator	Mean Value	Standard Deviation	Agree Level
1.	Learn and exchange the culture with tourists	3.76	1.51	Strongly agree
2.	Relationship with tourists and other local people	3.61	1.49	Strongly agree
3.	Enhance community pride in unique culture	3.55	1.51	Agree
4.	Preservation of the culture heritage	3.88	1.56	No opinion
5.	Recognized of heritage site among tourists in term of art, traditions and dances, etc.	3.59	1.61	Strongly agree
6.	Help to create cleanliness of community	3.88	1.55	Strongly agree
7.	Promotes environmental awareness and waste management	3.71	1.53	Strongly agree
8.	Tourism helps to conserve the purity of attractions	3.63	1.58	Strongly agree
9.	Tourism degrades local natural environment	2.32	1.87	No opinion
10.	Tourism helps to preserve heritage properties	3.55	1.64	Strongly agree
11.	Local employment	3.88	1.55	Strongly agree
12.	Increase revenue	3.71	1.53	Strongly agree
13.	Quality of life is enhanced	3.63	1.58	Strongly agree
14.	Local economic is stimulated and diversified	2.32	1.87	Strongly agree
15.	The investors are attracted into community	3.55	1.64	Strongly agree
16.	Provides more business for local people	3.78	1.56	Strongly agree
17.	Tourism alleviates poverty	3.71	1.51	Strongly agree
18.	Involve in training and meeting	2.35	1.77	No opinion
19.	Involve in tourism exhibition	2.20	1.77	No opinion
20.	Public relations through medias	2.43	1.67	Agree
21.	Directly noticed from the responsible person	2.30	1.78	No opinion
22.	Directly noticed from neighbors	2.43	1.77	Fair
23.	Personally benefit from the tourism industry	2.89	1.71	Fair
24.	Participate in the tourism planning activities	2.53	1.74	Agree
25.	Participate in decision making of tourism management	2.45	1.82	No opinion
26.	Participation in tourism activities	2.69	1.82	Strongly agree
27.	Gain the benefit through tourism participations	2.62	1.78	Strongly agree

The Result from General Information Questions of Community Participation in Tourism Angkor Heritage Site

The majority of respondents (62%) stated that there were tourists visiting to their villages but their families members were not get involve in any tourism trips or exhibitions. Likewise, they believe that community participation in Angkor provide benefit to tourism development (68.9%). However, they have not participated in tourism management activities (planning, implementing, evaluation, etc.) 68.7%. Similarity, they did not undertake any types of tourism roles in their villages (70.5%), they were not involve any right, duties and responsibilities or contributions over APSARA Authority (70%). Furthermore, the majority of respondents they were not providing any home stay activities to tourists (87.4%). Most importantly the majority of respondents they did receive jobs or direct economic benefit from tourism community tourism but they wanted to involve in tourism in their community. In addition the majority of respondents 41.1% understood sustainable tourism.

Table 2
General Information about Community Participation in Tourism Angkor

No.	Issues	No (%)	Yes(%)	No Opinion
1.	Are there any tourists visiting to your village?	143 (37.6%)	237 (62.4%)	
2.	Do you or your family, selling your product/ service to tourists or tourism business?	220 (57.9%)	160 (42.1%)	
3.	Did you or your family, get involve in any tourism related trainings? (cook, guide, languages, etc.)	225 (59.2%)	155 (40.8%)	
4.	Did you or your family get involve in any tourism trips or exhibitions?	238 (62.6%)	142 (37.4%)	
5.	Are there any important places surrounding your village, which you want to preserve?	120 (31.6%)	121 (31.8%)	139 (36.6%)
6.	Do you want to involve in tourism activities? (hotel, travel, guide, etc.)	147 (38.7%)	233 (61.3%)	
7.	Does the community participation in Angkor provide benefit to tourism development?	57 (15%)	262 (68.9%)	61 (16.1%)
8.	Does the community participation help to develop infrastructures at the area?	71 (18.7%)	228 (60%)	81 (21.3%)
9.	Have you participated in tourism management activities? (planning, implementing, evaluation, etc.)	261 (68.7%)	119 (31.3%)	
10.	Are there any community participation programs in this village?	153 (40.3%)	110 (28.9%)	117 (30.8%)
11.	Do you undertake any types of tourism roles in your village?	268 (70.5%)	112 (29.5%)	
12.	Do you have any right, duties and responsibilities or contributions over APSARA Authority?	266 (70%)	114 (30%)	
13.	Do you provide any home stay activities to tourists?	332 (87.4%)	48 (12.6%)	
14.	Do you receive jobs or direct economic benefits from tourism community tourism?	252 (66.3%)	128 (33.7%)	
15.	Are there any tourism related organizations in your village?	142 (37.4%)	53 (13.9%)	185 (48.7%)
16.	Who conducts community development programs, especially in tourism sector?	a. Government: 167 (43.9%) b. Private sector: 20 (5.3%) c. Non-government: 39 (10.3%) d. Business enterprise: 6 (1.6%)		148 (38.9%)
17.	Is there any community participations related to environmental activities program in your village?	118 (31.1%)	139 (36.6%)	123 (32.3%)
18.	Is there any capacity enhancement and skill development program for community and tourism stakeholders?	155 (40.8%)	107 (28.2%)	118 (31%)
19.	Are there any systematic management of local market (bazaar) for locally produced goods?	125 (32.9%)	99 (26.1%)	156 (41%)
20.	Are there any community approaches for handicrafts productions, demonstrations and sales?	81 (21.3%)	187 (49.2%)	112 (29.5%)
21.	Is there any encouragement and cultural program to persevere local culture traditions and crafts?	215 (56.6%)	165 (43.4%)	
22.	Do you know about sustainable tourism development? If Yes, sustainable tourism development is:	a. It is long term development:146 (38.4%) b. It is environmental economic: 156 (41.1%) c. It means not to bring large: 31 (8.2%) d. It is a development of local economic: 31 (8.2%) e. Others: 14 (4.1%)		

SWOT Analysis of Tourism Management and Development at Angkor

From the analysis of primary data from interview with stakeholders and study of secondary data about community around Angkor and its existing circumstance of community participation in sustainable tourism at Angkor, strengths, weaknesses, opportunities and threats SWOT of tourism management and development at Angkor Heritage Site in Cambodia could be mentioned as follows:

Strength

The strongest strength Angkor is a world heritage site listed by the UNESCO, having the unique and world famous Angkor historical and architectural resources. It is rich in culture and art with important archaeological attractions. Further more, it is a destination in the world that had high value for money. Tourist they can easily find tourists guide. It is the safe destination with strong law enforcement. Not only is that Angkor promoting community participation toward conservation. Likewise accessible on short arid frequent scheduled air flights from Phnom Penh, and relatively good airport facilities.

Weakness

The main weakness of this heritage site were: mass poverty among the local community with lack of awareness, not enough developed tourism sector around the area, limited tourism management capacity, and limited cultural maintenance and environmental protection, lacking of infrastructures development. This site is also lacking the quality of goods and services, loss of environment and culture. There aren't well developed water supply, sanitation and garbage management systems. Indeed low level of community participation and lacking the information communication facilities.

Opportunities

The main opportunity of heritage tourism is that the tourism is the largest economic sector in the world, furthermore the trends of tourism is deviated towards heritage, sustainable and community tourism. This site has multi image such as it is famous for religious, architectural and famous for village tourism. By the globalization it becomes good time to start small business and get extra income. The geographical location epically located near by the Thailand is the one of the opportunity of this site. The government rules and easier visa system also other opportunity to prompt tourism. It provides the opportunity to learn new skills and other culture and to promote cultural identity. UNESCO supporting for heritage it has potentiality for heritage, pilgrimage and general tourism. The friendly hospital local people, theirs multi culture, peace and security system and government promoted investment and immigration systems are the positive things of this destination at Angkor.

Threats

This site also has some threats as follows: loss of environment and culture, rich people from outside the community buying the land and locals are replacing that results the loss of local cultures, traditions and economic benefits to the locals. Jealously from other communities and people with power/arrogance threading the site. Outsider do not respect community and without active community leadership in all dimension of management always danger of un-sustainability. Seasonality, tourism situation and economic crisis the problems. Furthermore, there are the great threats of quality standards, challenges to generate income for local and building strong collaboration among the stakeholders.

CONCLUSION AND RECOMMENDATIONS

The research of local community participation indicated that there lack for sustainable tourism planning and management of Angkor. Therefore, community participation is crucially necessary in order to achieve sustainable tourism management of Angkor. Government should make participatory framework by improving existing rules and regulations. It needs to encourage the community people to run tourism business, such as home stay and accommodation, sell handicrafts and provide opportunities for employment. Importantly, government should provide the financial support to those businesses through various types of funding and soft loans. The APSARA Authority should regularly provide the reasonable and certain distribution percentage of economic benefits to the community.

In addition, government, local government and the APSARA Authority should launch various human resource development programs in Angkor, including trainings, orientation, exhibits and skill development activities that can overcome the gap of demand for skill workforce as well as to create economic benefits.

Evidently, partnership among all stakeholders can reinforce the local traditions, products the provides differentiation in identity. Government, APSARA Authority and private sectors in tourism epically; priority should be given to make a direct mechanism to involve community in tourism sectors. Community people should be organized and make them able to get economic, social and cultural benefits from heritage tourism as well as from all types of tourism.

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BRAND IMAGE, BRAND TRUST AND BRAND LOYALTY

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ABSTRACT

It is well known that brand image does impact to brand trust. The positive image created onto a brand will result in brand trust. This trust, later on, will give comfort in consumer's heart as they consume goods. In the long term, this comfort will lead consumers to brand loyalty due to the quality and guarantee provided. This time, the research aims to analyze the influence/impact of brand image to brand trust and the implications resulted on brand loyalty using study case of Kartu Provider esia.
This research is using primary data by collecting data from corporate consumers via interview. Sample is taken randomly. The statistical method used to analyze the data is path analysis with prior adjustments to the requirements.
Research findings present that there is a strongly significant influence between brand image, brand trust and brand loyalty. The overall results show that the brand has successfully created positive image to brand loyalty. This fact proves that brand image significantly correlates to brand trust and brand loyalty.

Keywords : *brand image, brand trust, brand loyalty*

INTRODUCTION

Kotler argued that brand image was a composition of believe over a brand. Brand image was one of some good measurements one could use to say whether a brand was strong or weak.

Similarly to Kotler, Aaker stated that brand image was a bundle of unique association created and nurtured by marketers. Most associations mentioned stated what the brand was all about and what a brand promised to its consumers. In that way, Aaker considered that brand image was something to do with how the consumers perceived the brand.

Brand image could help creating value for corporations and consumers in a way it could compile information referring brands over other brands in the same business. There were five advantages of having a proper brand image: (1) compiling information, facts and anything that was easily found and intrepreted by consumers (2) creating differences or uniqueness (3) reasoning why consumers needed to purchase the brand (4) formatting certain positive attitude over the brand and (5) creating basis for brand expansion. In marketing, it was believed that once consumers got exposed to postive brand image as they purchased goods, the image implanted in their minds would extend to such trust to believe positively in certain brands.

Brand trust could be defined as high expectations over certain brands that they would deliver certain values that impact to positive results for consumers. Consumers started feeling the trust as they firstly consumed the goods. The exposures given within first experience would last long in consumer's mind. As an attribute of an exoerience, brand trust was influenced by consumer's evaluation from direct and indirect contacts with certain brands. The primary source of every contact made was the experience of consumption. As corporations developed the trust, loyalty over the brand was emerging. That was why the researcher was interested in analyzing the influence or correlation between brand image, brand trust and the implications on brand loyalty. The study case was taken from Kartu Provider Esia, since Bakrie Company was booming nowadays with such a large product line within the marketplace.

Therefore, the research problems that researcher planned to solve were: (1) Was there a correlation between brand image and brand trust? (2) Was there a correlation between brand image and brand loyalty? (3) Was there a correlation between brand trust and brand loyalty?

The purpose of this research were trying to: (1) investigate on the correlation between brand image and brand trust (2) identify the correlation between brand image and brand loyalty (3) identify the correlation between brand trust and brand loyalty (4) identify the correlation amongst brand image to brand trust and the implications on brand loyalty.

LITERATURE REVIEW

Erna Ferrinadewi (2008, p167) stated that brand image had 3 crucial components, they were: brand association, brand values and brand positioning.

First component was brand association. It was a composition of consumer's act toward developing their associations based on their knowledge over the brand, whether the knowledge stated the good things or

bad things about the brand itself. This knowledge was known as factual knowledge deriving from consumer's experience and emotion. *Brand association was mentioned to be something related to consumer's memory about the brand and its image which commonly emerged in certain meaningful formats. These formats not only existed but also had power as the experience to communicate the brands came up frequently.*

Brand Association, thus could be stipulated as something related to memory about a brand. This brand association correlated strongly to brand image which was defined as a compilation of brand association with certain meanings.

Second component was brand value. It was consumer's act in deciding what brand to purchase. Consumers often act based on their perception over brand characteristics dealing with values consumers believed.

Aaker in Simamora (2003, p14)stated that there were many theories and concepts about brand value. Aaker stated that there were three values a brand promised, such asL functional, emotional and self-expression values.

Third component was brand positioning. This component deals with consumer's perception over brand quality perceived by consumers in selecting their alternatives. Brand positioning could said as a brand image with clear, distinct and competitive relatively to competitors, Kotler in Simamora(2003, p92). Brand image would be an eligible brand positioning. If it had not yet achieved the eligbility, thus, it could not say as brand positioning. Thus, positioning was a process and product was the result.

Ellena Delgado Ballester (2003) explained that brand trust was the safety of having comfort as a consequence of a proper interaction with a brand. This could only come true, when consumers perceived and believed their expectations over the brand would come true. Morevoer, Delgado also claimed that brand trust was the hope itself. It contained expectations over reliability and intentions of a brand. As consumers already put their belief on a brand, they would strongly wait for their belief to come true.

Thus, Delgado (2004) stated that brand trust as hope of reliability and intentions ought to reflect these two components: *brand reliability* dan *brand intentions*. Brand reliability focused on the consumer's strong belief that a product was able to fulfill what it had promised. In another word, it was a perception that a brand could meet and deliver the needs and satisfaction promised. On the other hand, brand intention emphasized on the consumer's belief that the brand was capable of putting consumer's need on the top priority as problems arose unexpectedly.

Both components lied on consumer's evaluation which to some extent was subjective and relative according to personal assessment regarding product/brand's benefit delivered.

Loyalty was defined by Aaker (1991: p39)as "*brand loyalty is a measure of the attachment that a customer has to a brand*". Brand loyalty was a brand binding with its consumers. This would result in willingness to stick to the brand, willingness to say positive things about the brand, willingness to recommend the brand and to repurchase the brand.

RESEARCH METHODS

This research was associative and descriptive in terms of investigating whether there was a correlation amongst variables and how the correlation was. A brief description on research design was given as follow:

Tabel 1 Research Design

Research Purpose	Research Design		
	Type and Methods	**Units**	**Time Horizon**
T-1	Asosiative/survey	Individual? consumers of Kartu Pascabayar Esia	Cross section
T-2	Asosiative /survey	Individual? consumers Kartu Pascabayar Esia	Cross section
T-3	Asosiative /survey	Individual? consumers Kartu Pascabayar Esia	Cross section
T-4	Asosiative /survey	Individual? consumers Kartu Pascabayar Esia	Cross section
T-5	Deskriptive/survey	Individual? consumers Kartu Pascabayar Esia	Cross section

Source: Researcher, 2008

Data was taken randomly using simple random. The source of data was Esia users with the total number was 100. The number came from this given formulae to determine the sample size.

$$n = \frac{3320}{3.320.(0.1)^2 + 1} = 97{,}1 \text{ respondent}$$

Since the number of respondents was not large enough, in this case the researcher decided to use personal interview as to collect the data, by using quesionnaires. After data collected, all data was primarily analyzed for classical assumptions. In this way, researcher was trying to separate valid and invalid variables and to test reliability and normality. So far, researcher could claim tha data gathered had passed all tests.

According to Riduan & Kuncoro (2007, p1-2), path analysis was a technique used to analyse relational pattern among variables to investigate direct and nondirect independent variables to dependent variables. Path analysis used in a model that is commonly utilized to improve an analytical structure in a way to draw some independent variables whose insignificant coefficients (Riduan dan Kuncoro, 2007, p127).

Research Findings

The research findings show results as follow:

Table 2. Pearson Correlation

		Brand image	*Brand trust*
Brand image	Pearson Correlation	1	,625(**)
	Sig. (2-tailed)		,000
	N	100	100
Brand trust	Pearson Correlation	,625(**)	1
	Sig. (2-tailed)	,000	
	N	100	100

** Correlation is significant at the 0.01 level (2-tailed).

Source: Data (2008)

To identify generalization and variable relationship between Untuk mengetahui *brand image terhadap variabel brand trust* kartu provider Esia, hyphotesis test was done with the result as follw:

Ho = There is no significant relationship between brand image and brand trust.

Ha = There is significant relationship between brand image and brand trust.

From the table, it can be seen that the result showed 0.000. jika dibandingkan dengan $\alpha = 0.01$, α (Sig = α) yaitu 0.000 = 0.01 meaning the research should reject Ho and accept Ha. To sum up that there is significant relationhip between *brand image* terhadap *brand trust* kartu provider Esia.

A test on brand image (X) and brand loyalty (Z) showed the results as follw:

Table 3. Correlation between *Brand Image* and *Brand Loyalty* Kartu Provider Esia

Correlations

		Brand image	*Brand loyalty*
Brand image	Pearson Correlation	1	,613(**)
	Sig. (2-tailed)		,000
	N	100	100
Brand loyalty	Pearson Correlation	,613(**)	1
	Sig. (2-tailed)	,000	
	N	100	100

** Correlation is significant at the 0.01 level (2-tailed).
Source: Data (2008)

Hyphotesis:
Ho = There is no significant relationship/correlation between brand image and brand loyalty
Ha = There is significant relationship/correlation between brand image and brand loyalty.

From table 4, it can be viewed that correlation coefficient from the output test showed 0.000 with α = 0.01, so value of sig was smaller than α (Sig = α): 0.000 = 0.01 meaning to reject Ho and to accept Ha. To conclude there is significant relationhip/correlation between *brand image to brand loyalty* kartu provider Esia.
A test on brand trust to brand loyalty showed the results as follow:
Table 4. Correlation between brand trust to brand loyalty

Correlations

		Brand trust	*Brand loyalty*
Brand trust	Pearson Correlation	1	,507(**)
	Sig. (2-tailed)		,000
	N	100	100
Brand loyalty	Pearson Correlation	,507(**)	1
	Sig. (2-tailed)	,000	
	N	100	100

** Correlation is significant at the 0.01 level (2-tailed).
Source: Data (2008)

Hyphotesis:
Ho = there is no significant relationship/correlation between brand trust to brand loyalty.
Ha = there is significant relationship/correlation between brand trust to brand loyalty.

From the test it was found out that the output was as much as 0.000, if it was compared to α = 0.01, sig value was smaller than α (Sig = α) that was 0.000 = 0.01, meaning to accept Ha and to reject Ho.

To sum up there was a significant relationship/correlation between brand trust to brand loyalty.

Path Analysis of *Brand Image* (x) and *brand trust* (Y) to *Brand Loyalty* (Z) Kartu Provider Esia.

Tabel 5. Anova Sub-Structure 1
ANOVA(b)

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	17,058	1	17,058	62,785	,000(a)
	Residual	26,626	98	,272		
	Total	43,685	99			

a Predictors: (Constant), *brand image*
b Dependent Variable: *brand trust*

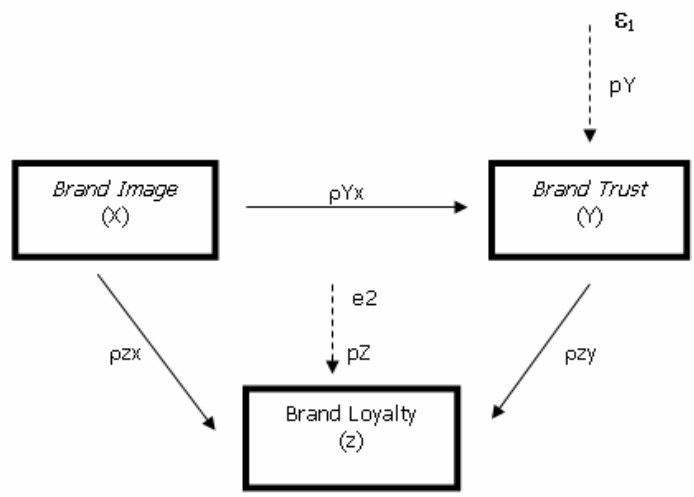
Tabel 6. Model Summary Sub-structure 1
Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,625(a)	,390	,384	,52124

a Predictors: (Constant), *brand image*

Hyphothesis:
Ho = There is no influence between *brand image* (X) simultaneously and significantly to brand trust.
Ha = There is influence between brand image simultaneously and significantly to brand trust.

Simultaneous test to those three variables and the results were given as follows:



Picture 1. Structure 2 of Path Analysis

Tabel 7. Anova Sub-struktur 2

ANOVA[b]

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	20,238	2	10,119	32,463	,000(a)
	Residual	30,237	97	,312		
	Total	50,138	99			

a Predictors: (Constant), brandtrust, brandimage
b Dependent Variable: brandloyalty

Tabel 8. Coefficients of Path Anaylsis Structure

Coefficients(a)

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	,530	,341		1,554	,123
	Brand image	,622	,129	,486	4,833	,000
	Brand trust	,218	,108	,203	2,014	,047

a Dependent Variable: *brand loyalty*

Tabel 9. Model Summary
Model Summary(b)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	,633(a)	,401	,389	,55832	,401	32,463	2	97	,000

a Predictors: (Constant), *brand trust, brand image*

Hyphothesis:
Ho = There is no relationship/correlation between brand image and brand trust to brand loyalty simultaneously and significantly.
Ha = There is relationship/correlation between brand image and brand trust to brand loyalty simultaneously and significantly.
From the test of significance, it was found out that sig value was 0.000. In comparison to α = 0.05, Sig was smaller than α (Sig $\leq \alpha$) that was 0.000 $\leq$ 0.05 meaning to reject Ho and to accept Ha.
From the research findings, it was found that:

Implementation of *brand image* through *brand association, brand value, brand positioning* enabled to develop *brand loyalty* of consumers. It was shown from the relationship between both variables as strong as 62.5% and the influence was observed as much as 39 %.This fact meant that if PT Bakrie Telecom planned to increase brand tust, it had to increase the implementation of brand image with its 5 dimensions.

The implementation of brand image through brand *association, brand value, brand positioning* impacted positively on consumer loyalty towards Kartu Provider Esia. It had to do with CDMA telecommunication CDMA with different tarrif from other competitors. Moreover from the findings, it depicted that there was a strong relation/correlation between *brand image* to *brand trust* 61,3%.

CONCLUSIONS

This research aimed to give solutions to the research problema statements given in the introductory part. The conclusions drawn from the findings were as follow:

1. Brand image had a strong and significant relation/correlation with brand trust as much as 0,625 atau 62,5%.
2. Brand image had a strong and significant relation/correlation with brand loyalty as much as 0,613 atau 61,3%.
3. Brand trust had a strong and significant relation/correlation to brand loyalty as much as 0,507 atau 50,7%.
4. It could be summed up that brand image and brand trust had a strong correlation with brand loyalty according to structure 1 and 2:
    a. Brand image (X) had a significant relation to brand trust(Y) as much as 39%.This had shown that the research findings concluded that there was positive and significant correlation between brand image and brand trust Kartu Provider Esia.
    b. Brand image (X) had positive and significant correlation with brand loyalty as much as 23.6%.
    c. Brand image (X) had a positive and significant correlation with brand loyalty (Z). The correlation of brand image indirectly with brand loyalty was 37.6%.
    d. Brand trust (Y) had a positive and significant correlation with brand lyalty as much as 4.12%

Some suggestions were tailor-made to the current conditions and research problems. Those suggestions were based on research findings, as given below:

1) PT Bakrie Telecom should pay more attention and increase to the quality offered to the consumers. All dimensions available within brand image should be more explored. Cellular tarrif, low-fare package, bonus and network coverage should be the main concerns for the corporation.
2) PT Bakrie Telecom should fix some things concerning customer service such as contact ease, customer officer performance, product knowledge and responsivness to handle customer complaints.
3) PT Bakrie Telecom also had to put more efforts on increasing consumer satisfaction in a continous manner. For it is the critical concern as the corporation planned to leverage brand image. One of

many ways to do so was to conduct brand image survay and consumer satisfaction survey. With these two surveys, management could trace back all the info required concerning customer satisfaction towards Esia products and service offered.

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INDONESIAN TOURISTS' PREFERENCES INFLUENCE OF CONSCIOUS AND UNCONSCIOUS MOTIVES

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ABSTRACT

Motivation is the foremost variable to explain the travel preferences. It is identified that there are two motives of travelling: inner intention as the unconscious motives and outer magnet as the conscious motives. Inner intentions derive from tourists' mindset and push the actor to perform. Outer magnet is created by destination (tourism supplier, operators, hotelier etc.) to pull the customers. From 331 respondents in Jakarta (capital city) and Bandung as tourist generating regions in Indonesia showed that there are partial element of inner intention that encourage Indonesian to travel: religiousness and leisure time, and there are collective element of outer magnet that fascinate Indonesian tourist: cultural attraction and activities, outrange between domicile region and destination, and sophisticated amenities.

Keywords: Motivation, Indonesian trourist, Culcural attraction

INTRODUCTION

Tourism has function to fulfil the body, soul and intellectual desire by recreation and travelling. Tourism has become the member of human basic need; place it side by side with daily needs such as food, clothing and housing. The government of Indonesia put effort to perform those function by implementing the decree of designating public holiday and collective leave since 2008. Collective leave was aimed to focus on work productivity and boosting the country's tourism industry. To compensate, they should work extra hours on other days.

As part of the government's efforts to attract visitors, the country improve awareness and build enhanced relations with potential destinations. Airport renovation is underway, together with facilities development from the private sector. As a result, the country witnessed significant growth of arrivals, albeit in business and leisure tourists.

However, as the various tourism initiatives are to be followed by fast and effective improvements to buildings and the tourism infrastructure, revolutionary changes are seen in reverse. The decree was misinterpreted by the Indonesian. The designating public holiday and collective leave triggers more the outbound travel rather than domestic travel. The intentions to travel abroad raise, number of outbound trips and spending increase as shown in table 1.

Table 1- Fact of Domestic Travel and Outbound Tourist Indonesia Year 2001 To 2008

Year	Domestic Traveller (thousand)	⬀⬁	Total expenditure (billion IDR)	⬀⬁	Outbound Tourist (thousand(	⬀⬁	Total spending (million USD)	⬀⬁
2001	103.884	-	58,7	-	n.a	-	n.a	-
2002	105.379	1,4%	68,8	14,7%	n.a	-	n.a	-
2003	110.030	4,2%	70,9	2,9%	3.769	-	3.450	-
2004	111.353	1,2%	71,7	1,2%	4.270	11,7%	3.672	6,0%
2005	112.701	1,2%	74,7	4,0%	4.806	11,2%	3.286	-11,7%
2006	114.391	1,5%	88,2	15,3%	5.041	4,7%	3.920	16,2%
2007	116.107	1,5%	108,9	19,0%	5.158	2,3%	4.331	9,5%
2008	117.213	0,9%	123,2	11,6%	5.312	2,9%	5.577	22,3%
Average		1,7%		9,8%		6,5%		8,5%

Source: BPS (2009) and P2SDJ (2009)

The tourism industry is concerned with the fact, but yet they do not fully understand the cause. It is the purpose of the research to reveal the main motives of travelling: inner intention as the unconscious motives and outer magnet as the conscious motives of Indonesia tourist, so destination (operator, hotelier, etc.) should redesign and rebranding their product.

TOURISM AND DOMESTIC

Tourism is a unique phenomenon. The concept of tourism is complicated and can be viewed from various perspectives. In Indonesia, the act number 10 years 2009 regarding Tourism has been ratified as follows:

1. Tourism is the travel activities done by a person or a group to visit certain destination with the purpose of recreation, self-improvement or study the uniqueness of tourist attraction in temporarily.
2. A tourist is a person doing the travel activities.
3. Tourism industry consists of various activities and supported by facilities and services, provided by community, entrepreneur, government and local government.

Tourism consists of three main elements (Cooper et.al, 2005). There are:

1. Tourist. He or she is the actor of travel activities and he or she obtains the experience and satisfaction from the trip.
2. Geographical element. The movement of tourist occurs in geographical coverage.
   a. Tourist generating area (TGA) is the area where the tourist comes from and done their daily activities such as working, schooling and other basic needs, and it motivates them to get away from their routines.
   b. Transit area (TA). Not all travelers stop-over or transit in a certain area but they definitely pass the transit region. Often the trip is diverted and ended in transit area, not in the tourist destination. Many transit countries perform its multi functions. They improve the accessibility and amenities to convert their function as from a hub to a destination.
   c. Tourist destination region (TDR) is the finish line of the journey. It is the main of travel purpose. Destination is the raison d'être of the tourism, offers variety of excitement other than everyday activities. Each destination should have uniqueness and provide a certain level of quality to meet the tourist's expectation. The impact of tourism on economics, social culture and physical environment occur in destination, thus, it is important to have a proper tourism planning and strategic management.
3. Tourism Industry. The third element in tourism system is the industry itself. The industry provides products and services, attractions and activities, accessibilities and amenities. All make available to cater the need and wants (Gunn, 1995; Page, 2007).

Based Indonesia tourism act, there are 13 key players in the tourism industry: tourist attraction, resort, transportation services, tour operators, food and drink establishment, accommodation, recreation and entertainment centre, conference organizers, exhibition organizer, incentive travel house, information centre, tourism consultant, tour guide, water recreation park and spa.

UN-WTO (Gee: 1997) classify the tourism into two boundaries:

1) Domestic tourism. Domestic or internal tourism is the activity of people visiting destinations within their own country's boundaries. It is the travel within one's country border line outside their home region with the purpose of pleasure, not working. The actor is called domestic tourist.
2) International tourism. International or overseas tourism is the travel across one's country border line beyond their home region with the purpose of pleasure, not working. It is the activity of people visiting destinations outside their own country's boundaries. The actor is called international tourist. There are two types of international tourism:
   a. Inbound tourism. Inbound or incoming tourism occurs when foreigners visit other country. It is the tourism of non-resident visitors within the economic territory of the country of reference. Incoming tourism is a valuable source of income for the country and the local economy, because they do not just spend money for the hotels and attraction, but also the benefit from the spending power of tourists to community. Money spreads out to benefit all sorts of local people.
   b. Outbound tourism. Outbound or outgoing tourism is the tourism of resident visitors outside the economic territory of the country of reference. As the opposite of inbound tourism, the outgoing tourism becomes a threat of one's country balance of payment. It is a leakage source of income for the country and the local economy, because they spend money for the meals and transportation to other nations.

TOURIST MOTIVATION

Motivation is a sum of behaviour process to achieve particular goals. Motivation derives from an attempt to fulfil needs on certain level of intensity. If someone has personal desire and he or she aware that his or her desire should be accomplished, there will be an inner force to act. Motivation emerges from expectation and it can be attained by efforts. Every tourist has travel motives. Swarbrooke and Horner (1999: 55) identified five main factors differentiate travel motivation:

a. Personality.
   It is a complex of all the attributes, consists of behavioural, temperamental, emotional and mental, that characterize a unique individual. It is a person of considerable prominence, is he an active or passive tourist? Is she an adventurer or careful person? Is he an open-minded or a close-minded? Is she a planner or a go-show tourist? Etc.
b. Lifestyle.
   Lifestyle is a manner of living that reflects the person's values and attitudes. There are individuals who always want to experience differently from other people. There are individuals want to travel to fashionable destination. There is environmental friendly tourist. There are tourists who travelling to search novelty. There are people to want to meet other people, or having fun, or contemplate his or herself.
c. Past Experience.
   Most of tourist paid attention to past experience and it forebode the next travel planning. The positive past experience may bring people to repeat the trip, on the other hand, the previous negative incident may lead to unrepeated journey or even tourist will try to avoid the risk.
d. Perception.
   It is a way of tourist in conceiving something from the surrounding information. Perception in tourist mind describes the process whereby sensory stimulation is translated into organized experience. Perception is the effect of perceiving the promotional material from the tourism industry such as advertisement, tour package brochure, friend's recommendation, etc. Perception emerge the strength and the weakness of tourist motivation, the physical and the psychological set of tourist to travel.
e. Image.
   It is a representation of a something. It explains how a tourist wants to be seen and treated by others. Image is closely related with expectation. Positive image may drive tourist to visit the destination, on contrary, negative image may drive tourist away from destination.

All above factors transform lined up with individual changes and trends, for example, if a woman has a family or meet her soul mate, or if there is a raise in income or a declining heath, the behaviour as tourist will change.

CONSCIOUS AND UNCONSCIOUS MOTIVES OF TRAVEL

Tourist motivation is a translation of tourist needs and wants. The feeling of dissatisfaction is the starting point and it comes from conscious and unconscious reasons. Lack of something forces a person to act and the action should aim to reach a particular expectation. If the expectation is met, the feeling of satisfaction comes to mind; the process of motivation is done but keep on cycling. Human never feel fully satisfied and they keep on searching for unlimited expectation.

The dissatisfaction feeling is taken place by intrinsic and extrinsic motivation (Kotler, 2006). The intrinsic motivation comes from inside tourist's mind. It is the action which is essential and specific to that thing, and which is wholly independent of any other consequence. Often the intrinsic factors unconsciously push someone to do his or her activities beyond his or her ability. Some tourist prefers activities with the reasons for it are not available in the individual's conscious mind such as diving with dangerous sharks, bungee jumping without safe guard, etc.

Meanwhile the extrinsic motivation comes from outside environment. It provides satisfaction and pleasure that the task itself may not provide. The extrinsic motivation such as destination campaign is intentionally created by operator to activates and energizes tourist toward his or hers goal-oriented behaviour in travelling. It is consciously produced to motivate tourists.

The conscious and unconscious motivation can also fit to hierarchy of need (Cooper et.al., 2005; Ritchie and Goeldner, 2003; Swarbrooke and Horner, 1999; Mill, 1992; Ross, 1990). The basic assumptions of theory are:

1) Human always has need which derives from dissatisfaction of past achievement, and
2) The human needs can be compiled and arranged based of the hierarchy of importance.

There are five stages of human needs which can be related to conscious and unconscious travel motives.

Motivation allows tourist to make travel decision and the motives may be comprised from elements such:

1) Tourism is the response of unfulfilled desire.
2) Destination attraction is the reaction of the motivation.
3) Motivation is a fantasy and a dream.
4) Motivation always has purposes which end to satisfaction and dissatisfaction.
5) Motivation and experiences are in separated.

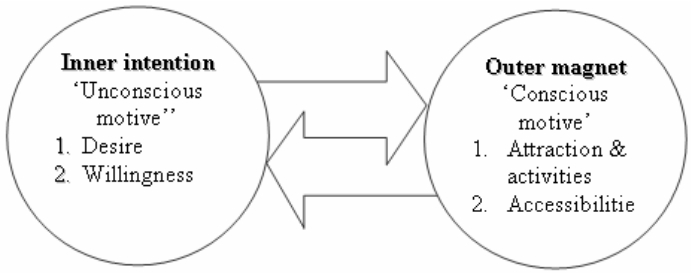
6) Motivation has its own meaning to every tourist.

Those elements come from two strong determinants (Cooper, 2005): push factors and pull factors. The inner drives as push factors derive from psychological aspects or self-centred. Often it is unconscious motive. On contrary, the outer direct as pull factors explain why people travelling. The reasons can be varied such as novelty, exploration, social interaction, etc and mostly are conscious motive.

METHODOLOGY

As the research purpose is to reveal the main motives of travelling: inner intention as the unconscious motives and outer magnet as the conscious motives of Indonesian tourist, the framework of research is drawn in Figure 1.

Figure 1 - The Framework of Conscious and Unconscious Motives of Tourists' Preferences



The variables of inner intention as unconscious motives (Cooper, 2005; Ritchie and Goeldner, 2003; Ryan, 1997; Kotler, 2006) are as follows:

a) Desire. There are psychological and physiological reasons that motivate people to travel. There are seven instinctive reasons to get away.
b) Willingness. It is an opportunity to fulfil the desire, consists of: availability of leisure time and sufficient travel financial.

Whilst, the variables of outer magnet as conscious motives (Cooper, 2005; Gunn, 1995; Page, 2007; Ritchie and Goeldner, 2003; Ryan, 1997) are:

1) Attractions and activities such as nature-based, culture-based and special interest.
2) Accessibilities such as the ease of transportation trip and distance.
3) Amenities such as sophisticated facilities and well-equipped infrastructures.

All endogenous and exogenous variables can be seen in table 2.

Table 2 - Research Operational Variables

Motives	Exogenous Variables	Endogenous Variables
Inner intention as Unconscious Motives	Desire	1. Excitement 2. Exploration 3. Health 4. Prestige 5. Religious 6. Self-improvement 7. Social interaction
	Willingness	8. Leisure time 9. Travel financial
Outer Magnet as Conscious Motives	Attractions & activities	1. Nature-based 2. Culture-based 3. Man-made
	Accessibilities	4. Ease of transportation 5. Trip intensity 6. Distance
	Amenities	7. Sophisticated facilities 8. Well-equipped infrastructures

DATA AND METHODS

Data and information are collected and compiled from two sources: primary data and secondary data. Primary data is composed from field survey using closed questionnaires, conducted in two cities, Jakarta and Bandung, in certain meeting point such as airports, train stations, hotels and tourist objects. Secondary data is the accumulation of information in form of statistical data, directory of tourist objects and amenities, and library research.

The samples are the Indonesia citizen who has been travelling abroad at least once in a life time for the purpose of leisure. Random sampling methods have been used to obtain 331 respondents during school holidays (June and December 2008) and during off-peak seasons (March and September 2008).

The instruments were translated into Indonesian language or Bahasa. The respondents were asked to give their agreement or disagreement from 32 statements regarding conscious and unconscious motive (see table 2) on a five-point scale (totally disagree, disagree, no comment, agree, and totally agree). They were not requiring verbalizing their comments or expressing their feeling with the interviewer. The 32 statements were adopted from previous motivation theory (Page, 2007; Kotler, 2006; Cooper et.al, 2005; Ritchie and Goeldner, 2003; Ryan, 1997; Gunn, 1995).

The research tool used is Structural Equation Modelling (or SEM) based on AMOS 7.0. It is required to have N > 100 respondents (Garson, 2008). Therefore, the total samples of this research are met with the SEM requirement. There are five steps in SEM:

1. Defining individual construct and developing the overall measurement model (path diagram).
2. Design the study to produce empirical result. Value of an observed endogenous should be 1 and all value of unobserved exogenous variable is one.
3. Assessing the measurement model validity using Confirmatory Factor Analysis (CFA).
4. Specifying the structural model.
5. Examine the structural model validity using the criteria of Goodness-of-fit (GOF) indices (Table 3).

Table 3 - The Criteria of Goodness-of-fit (GOF)

Measurement		Parameter
Absolute Fit	Chi-square	Lower is better.
	df	Positive and in between the range.
	GFI	Value of 0 to 1, higher is better. GFI = 0,90 is good fit; 0,80 - 0,90 is marginal fit.
	RMR	RMR = 0,05 is good fit.
	RMSEA	RMSEA = 0,08 is good fit.
	ECVI	ECVI value of default model should be closed to ECVI value of saturated model.
Incremental Fit	TLI/NNFI	Value of 0 to 1, higher is better. TLI = 0,90 is good fit; 0,80 - 0,90 is marginal fit.
	NFI	Value of 0 to 1, higher is better. NFI = 0,90 is good fit; 0,80 - 0,90 is marginal fit.
	AGFI	Value of 0 to 1, higher is better. AGFI = 0,90 is good fit; 0,80 - 0,90 is marginal fit.
	RFI	Value of 0 to 1, higher is better. RFI = 0,90 is good fit; 0,80 - 0,90 is marginal fit.
	IFI	Value of 0 to 1, higher is better. IFI = 0,90 is good fit; 0,80 - 0,90 is marginal fit.
	CFI	Value of 0 to 1, higher is better. CFI = 0,90 is good fit; 0,80 - 0,90 is marginal fit.
Parsimonious Fit	PGFI	Positive value means economical fit. PGFI value of default model should be higher than PGFI value of saturated model.
	PNFI	Positive value means economical fit. PNFI value of default model should be higher than PNFI value of saturated model.
	AIC	Positive value means economical fit. AIC value of default model should be closed to AIC value of saturated model.
	CAIC	Positive value means economical fit. CAIC value of default model should be closed to CAIC value of saturated model.

Source: Ferdinand (2005:282)

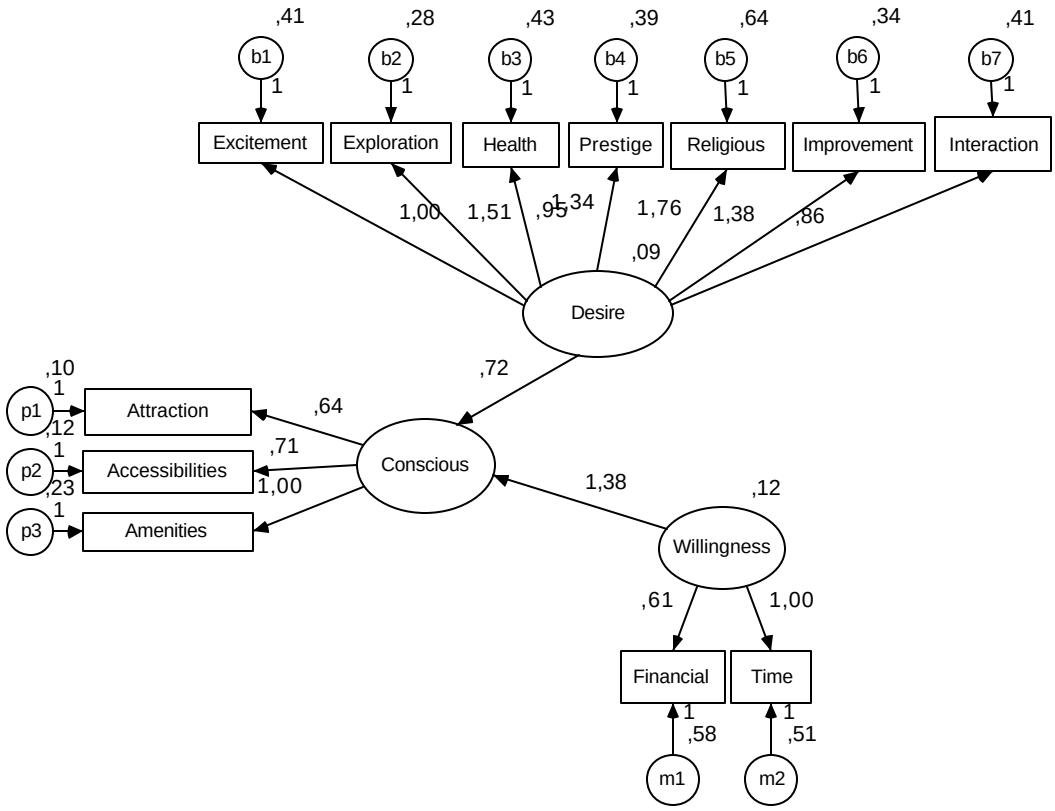
FINDINGS - RESPONDENTS PROFILE

a. 53 percent of respondents were women and 47 percents were men. Recently women traveller increase significantly worldwide and UNWTO predicts that number of women traveller will exceed men traveller since they become more independent and able to make their own decision. In Indonesia the proportion between women traveller and men traveller is 3 to 2.
b. The purpose of visit were mostly recreation (45 percents) and visiting friends and relatives (26 percent). 10 percent for business related purposes. The rest of the purpose of visit are education, sport and health, etc.
c. 28 percent respondent used cars as the mode of transportation, 26 percent of respondent are travelled by bus, 22 percent are travelled by plane, 15 percent by train and the rest were used other mode of transportation such as motorcycle and ship. Cars were preferable since it is flexible and reach the out-reach destination.
d. 50 percent of respondent were on vacation with family and friends. Family tourism is suitable with Indonesian tourist as it is a type of tourism where accommodation, meals, recreational activities and prices are specially adapted to suit the needs and comfort of families with children.
e. 40 percent of respondents stayed for 5 to 7 days and 34 percent of respondents are weekender. Length of stay is the key indicator of a successful tourism industry. The greater the length of stay, the greater the tourist will spend. The length of stay of respondents are varied but mostly were not more than a week. The decree of designating public holiday and collective leave can extend the duration. The average of length of stay is compatible with the average stay of 1 to 7 days based on Indonesian statistical data.

THE INFLUENCE OF UNCONSCIOUS MOTIVES TO CONSCIOUS MOTIVES IN INDONESIAN TOURIST PREFERENCES

The influence of unconsicous motives to conscious motives in Indonesian tourist's preferences was drawn in the default model A (see Figure 2).

Figure 2 - Default Model A: The Effect of Unconscious Motives (Unobserved) to Conscious Motives in Tourist Preferences



Source: Data Collection (2010)

The result was examined by GOF and it indicated mostly Good (see table 4).

Table 4 - GOF of Default Model A and Default Model B

Measurement		Default model A	Analysis	Default model B	Analysis
Absolut Fit	Chi-square	451,3	Good	261	Good
	Df	53	Good	30	Good
	GFI	0,826	Good	0,87	Good
	RMR	0,089	Good	0,05	Good
	RMSEA	0,15	Bad	0,152	Bad
	ECVI	1,51(Saturated model = 0,47)	Good	0,937 (Saturated model = 0,331)	Good
Incremental Fit	TLI/NNFI	0,58	Good	0,758	Good
	NFI	0,63	Good	0,824	Good
	AGFI	0,75	Good	0,762	Good
	RFI	0,55	Good	0,735	Good
	IFI	0,66	Good	0,841	Good
	CFI	0,66	Good	0,839	Good
Parsimonious Fit	PGFI	0,56	Good	0,475	Good
	PNFI	0,51	Good	0,549	Good
	AIC	501,3 (Saturated = 156,0)	Good	311 (Saturated = 110.0)	Good
	CAIC	621,5 (Saturated = 531,0)	Good	431,2 (Saturated = 374,4)	Good
	CN	333	Good	333	Good

Source: Data Collection (2010)

The findings as shown in table 5 were:

Table 5 - The Effect of Unobserved Unconscious Motive To Conscious Motive

			Square multiple correlation	Correlation	Total Effect
Conscious	<---	Desire	0,828	0,910	0,723
Conscious	<---	Willingness	0,172	0,415	1,379
Excitement	<---	Desire	0,185	0,430	1,000
Exploration	<---	Desire	0,434	0,659	1,512
Health	<---	Desire	0,164	0,404	0,950
Prestige	<---	Desire	0,302	0,549	1,338
Religious	<---	Desire	0,310	0,557	1,760
Improvement	<---	Desire	0,341	0,584	1,383
Interaction	<---	Desire	0,143	0,379	0,858
Time	<---	Willingness	0,195	0,441	1,000
Financial	<---	Willingness	0,074	0,272	0,611
Amenities	<---	Conscious	0,555	0,745	1,000
Accessibilities	<---	Conscious	0,546	0,739	0,712
Attraction	<---	Conscious	0,543	0,737	0,639

Source: Data Collection (2010)

a. It was estimated that the desires contributed 82,8 percents of its variance to conscious motive and 17,2 percent of the variance were influenced by other factors. Whereas willingness explain 17,2 percents of its variance to Conscious motive and 82,8 percent of the variance were induced by factors other than willingness. Desire plays a role in unconscious motive more than Willingness.
Both desire and willingness had positive correlation. An estimate of the correlation between conscious and desire was 0,910 and the correlation between conscious and willingness was 0,415. It means that desire connected closer to conscious rather than willingness.

b. The total (direct and indirect) effect of willingness on conscious was 1,379. That was, due to both direct (unmediated) and indirect (mediated) effects of Willingness on Conscious, when willingness went up by 1, conscious went up by 1,379.

The total (direct and indirect) effect of desire on conscious was 0,723. That is, due to both direct (unmediated) and indirect (mediated) effects of desire on conscious, when desire increased by 1, conscious increased by 0,723.

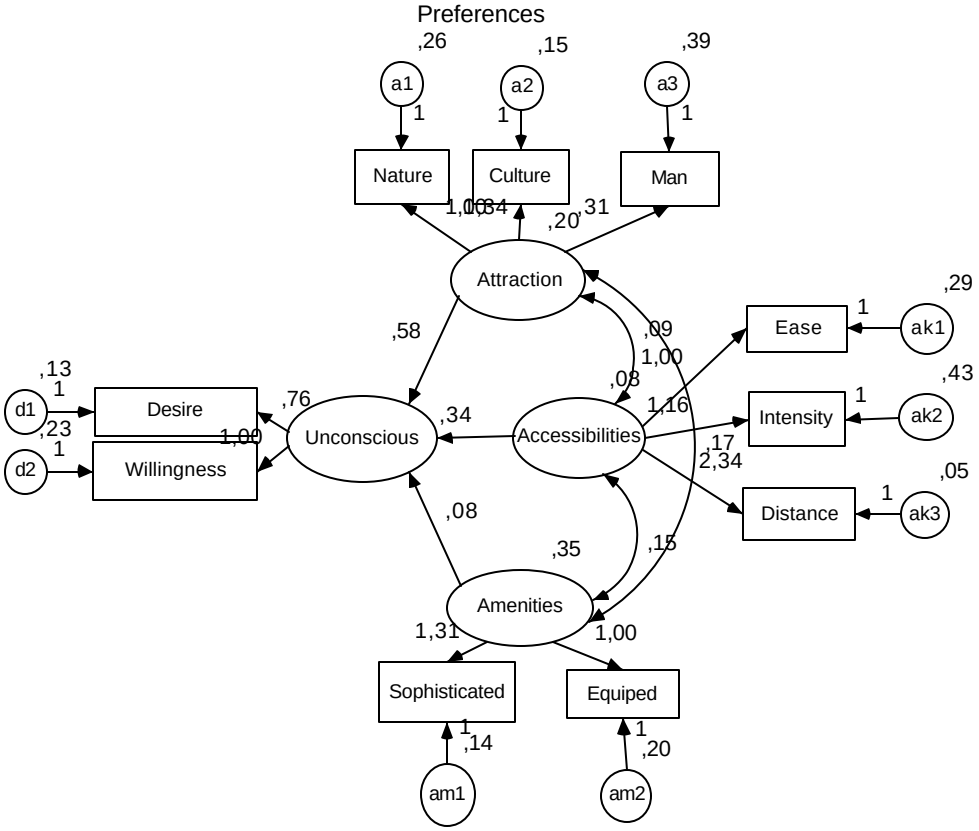
c. Desire consists of seven's hidden elements (endogenous variables). Among all, there are two elements play major part in shaping desire as unconscious motive, religious and exploration.
It was estimated that the predictors of religious contributed 31 percent of its variance to desire. In other words, the other factors were approximately 69 percent. Meanwhile, exploration explained 43,4 percent of its variance to desire and approximately 56,6 percent of the variance induced by other factors.
Both religious and exploration had positive correlation with Desire. It was estimated that 0,557 was the correlation between religious and desire and 0,659, was an estimate of the correlation between exploration and desire.
The total (direct and indirect) effect of desire on religious was 1,760. That was, due to both direct (unmediated) and indirect (mediated) effects of desire on religious, when desire raise by 1, religious raise by 1,76. The total (direct and indirect) effect of desire on exploration is 1,512. That was, due to both direct (unmediated) and an indirect (mediated) effect of desire on exploration, when desire went up by 1, exploration went up by 1,512.

d. It was estimated that time explained 19,5 percent of its variance to willingness and other factors contributed approximately 80,5 percent. Financial donated only 7,4 percent of its variance to Willingness whilst approximately 92,6 percent caused by other factors. Neither time nor financial gave significant contribution to willingness as Unconscious motive.
The correlation between time and willingness was 0,441 and 0,272 was an estimate of the correlation between Financial and Willingness. It means that tourist considered time as the essential in his or her preference.

THE IMPACT OF CONSCIOUS MOTIVES TO UNCONSCIOUS MOTIVE IN INDONESIAN TOURIST PREFERENCES

Conversely, the impact of conscious motive to unconscious motive in tourist's preferences was drawn in the default model B (see figure 3).

Figure 3 - Default Model B: The Impact of Conscious Motives (Unobserved) to Unconscious Motives in Tourist Preferences



Source: Data Collection (2010)

The model was examined by GOF and the result are mostly fit with the criteria (see table 4). Meaning, the default model can be accepted.

Table 6 - The Impact of Unobserved Conscious Motive to Unconscious Motive

			Square multiple correlation	Correlation	Total Effect
Unconscious	<---	Attraction activities	0,921	0,960	0,584
Unconscious	<---	Accessibilities	0,755	0,849	0,340
Unconscious	<---	Amenities	0,635	0,797	0,080
Nature-based	<---	Attraction activities	0,436	0,660	1,000
Culture-based	<---	Attraction activities	0,701	0,837	1,341
Man-made	<---	Attraction activities	0,046	0,214	0,307
Ease of transportation	<---	Accessibilities	0,218	0,466	1,000
Trip Intensity	<---	Accessibilities	0,202	0,499	1,158
Distance	<---	Accessibilities	0,892	0,944	2,336
Well-equipped	<---	Amenities	0,638	0,799	1,000
Sophisticated	<---	Amenities	0,815	0,903	1,313

Source: Data Collection (2010)

The findings as shown in table 6 were:

a. Attraction and activities contributed the most to unconscious motives. It was estimated that 92,1 percent of attraction and activities' variance was donated to unconscious motives, and 7,9 percents of the variance is donated by other factor.
   0,960 was an estimate of the correlation between unconscious and attractions activities, which means that there was a positive connection. The total (direct and indirect) effect of attraction on unconscious motives was 0,584. That was, due to both direct and indirect effect of attraction on unconscious motives, when attraction increased by 1, unconscious increased by 0,584.
   Unconscious motive was also induced by accessibilities. It was estimated that the predictors of accessibilities explained 75,5 percents of its variance and it is approximately 24,5 percent of other factors. The correlation between unconscious and accessibilities was estimated 0,849. In other words, there was a positive relation between these two. The total (unmediated and mediated) effect of accessibilities on unconscious was 0,340. That was, due to both unmediated and mediated effects of accessibilities on unconscious, when accessibilities raised by 1, unconscious raised by 0,34.
   The amenities contributed 63,5 percents of its variance to tourist's unconscious motives and the other factors was approximately 36,5 percents. Thus, it can be said that the impact of amenities in tourist's unconscious motives was 63,5 percents. 0,797 was an estimate of the correlation between unconscious and amenities. Meaning, the relation between unconscious and amenities was positive.
   The total (direct and indirect) effect of amenities on unconscious was 0,080. That was, due to both direct (unmediated) and indirect (mediated) effects of amenities on unconscious, when amenities went up by 1, Unconscious went up by 0,08.
b. Attractions and activities consisted of three hidden elements: nature-based, culture-based and man-made based. Among these three, culture-based gave the biggest contribution to attractions and activities variable. Culture-based gave 70,1 percents to attractions and activities, the other factor was approximately 29,9 percents. Meaning, Indonesian tourist's preferences was unconsciously motivated the most by culture-based attractions and activities.
   0,837 was an estimate of the correlation between culture and attractions. The total (direct and indirect) effect of attraction on culture was 1,341. That was, due to both direct (unmediated) and indirect (mediated) effects of Attraction on Culture, when Attraction increased by 1, culture increased by 1,341.
c. Accessibilities comprised of three unobserved variables: ease of transportation, trip intensity and distance. Among those, distance was the highest contribution to accessibilities. It was estimated that the predictors of distance explained 89,2 percent of its variance whilst 10,8 percent from other factors. In other words, Indonesians intentionally consider distance as their preference.
   The total (direct and indirect) effect of accessibilities on distance was 2,336. Meaning, due to both direct (unmediated) and indirect (mediated) effects of accessibilities on distance, when accessibilities went up by 1, distance went up by 2,336. An estimate of the correlation between distance and amenities was 0,944 meaning there was a positive relationship.
d. Amenities contained two unseen variables: sophisticated facilities and well-equipped facilities. Among those two variables, sophiscated facilities was the most contributed to amenities. It was estimated that the

predictors of sophisticated facilities explained 81,5 percent of its variance and 18,5 percent was other factors. It meant that Indonesian overlook sophisticated facilities as their conscious motives.

The correlation between s**ophisticated** facilities and a**menities was 0.903.** Meaning, there was a positive link between sophisticated facilities and amenities. The total effect of amenities on sophisticated facilities was 1,313. In the other words, when amenities increased by 1, sophisticated facilities increased by 1,313.

CONCLUSION AND IMPLICATION

This research explored two motives of travelling: inner intention as the unconscious motives and outer magnet as the conscious motives that influence Indonesian tourist preferences. Inner intentions derived from tourist itself and pushed his or her to travel. Outer magnet was created by destination and attracted the customers. From 331 respondents in Jakarta (capital city) and Bandung as tourist generating regions in Indonesia showed that there was partial element of inner intention that encouraged Indonesian to travel: religiousness and leisure time. Both were hidden variables of unconscious motive. Each variable (religious and leisure time) independently brought direct and indirect impact to unconscious motive. Most of tourist was unaware that their preferences were affected by religiousness and time.

In the other hand, there were collective elements of outer magnet that attracted Indonesian tourist: cultural attractions and activities, distances, and sophisticated amenities. All those are unobserved variable of conscious motive and jointly gave impacts (directly and indirectly) to conscious motive. When Indonesian tourists want to make a travel decision, cultural attractions and activities, distances and sophisticated facilities will affect the preferences.

Those findings can be used as basic consideration in creating a tour package targeted Indonesia tourists. The tour operator should deliberate the unconscious motive (desire and willingness separately) and the conscious motives (attractions activities, accessibilities and amenities at once).

In every holiday package offered to Indonesian, religious aspect is in main attention. For instance, the itinerary includes religious services, the meals prepare based on religious approach. Halal label is important. Any attractions and activities relating with culture and combine with religious issue catch the attention of Indonesia tourist or cultural religious festive such as, celebration of Prophet Muhammad, cremation of Hindus, etc.

Packages are offered in appropriate travel season (time). Tour operator must aware of public holiday and collective leave in calendar every year. High season in Indonesia is June-July (school holiday) and celebration after fasting month (Idul Fitri).

Package in destination with sophisticated facilities and moderate travel distance will be the advantages. Indonesian tourists prefer short-haul and a stylish fashionable resort. They want to buy all-in-one stop package tour to an integrated destination.

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TEST LOCATION AS PREDICTORS OF CONSUMER PREFERENCE AND ACCEPTANCE OF FRUITS CONSUMPTION

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ABSTRACT

Consumer preference and acceptance of fruits will be studied at three different test locations. Hedonic test from sensory evaluation method will be used to determine consumer preference and acceptance of fruit in home test, formal testing location and food service institution. Additional information such as consumer attitudes, motives/barriers and purchase behaviour will be collected. The aim is to evaluate if there is a relationship between testing location with consumer preference and acceptability of fruits. Furthermore, this study will evaluate the use of food service institution as a valid testing location for product. The results from the research can contribute into a new paradigm of testing location and differences in view will leads to a better decision in choosing the best test location appropriate for a different category of product. It also acts as a direction for future research.

Keywords: sensory evaluation, test location, fruit consumption

IINTRODUCTION

Fruit and vegetable consumption has been associated with lower risk for cancer (Steinmetz & Potter, 1996) and cardiovascular diseases (Ness & Powles, 1997). In fact Malaysia Dietary Guidelines have stated 3 to 5 servings of fruits and vegetables per day (Tee & Idris, 2002). However, the fruit consumption is still low. Research has indicated that fruits preferences were influence by sweet and sour taste (Liem et al., 2006) and by outside reinforcement, food choice and peer participation (Hendy et al. 2005). The drive to eat fruits not just came from the good phytochemicals associated with the product but also from internal human factors that influence food choice. Goldsmith et al. (1995) reported that social values may impart some fundamental motives that drive and direct human behavior. And these influence of values may not just been associated in high involvement areas such as clothing (Goldsmith et al., 1993); mass media consumption (Becker and Conner 1981); or tourism (Madrigal, 1992) but also to less involving product field such as natural food (Homer and Kahle, 1988). Harker et al. (2003) also stated the importance of consumer beliefs, attitudes, perceptions and preferences in consumer fruit choice.

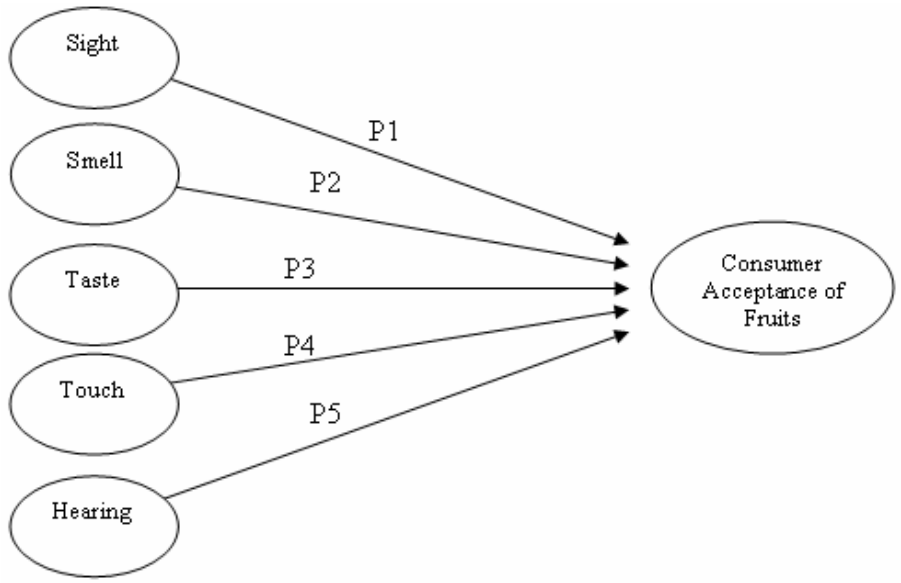
Consumer preference and acceptance of food are first being determined with their “eyes” before they actually consume the food. From the perspectives of food marketing, consumer, on the other hand is human and their perception of quality and acceptability is being influenced by human experience. Different people had different experience towards food, and hence will influence its overall perception and acceptance towards food. Thus, it is important to eliminate the other factors that can negatively influence consumer perception and acceptance of food (Kennedy et al., 2004). Consumer opinion is also affected by the context in which the food is examined and by the expectations that some external factors such as brand or price will exert (Cardello, 1995; Lawless, 1995).

In product quality evaluation and food marketing, the use of consumer panel are common but they tend to have had little or no formal training, thus the amount of training and information that they may receive are dependent on the test, the product and the company (Lawless and Heymann, 1998). Their evaluations are usually influenced by past experience and perception of food. These methods are based on the sensory food science discipline which dealt with human sensory perceptions and affective responses to foods, beverages and their components (Tuorila & Monteleone, 2009). It is multidisciplinary in nature and uses sensory evaluation as its central method of analysis (Tuorila & Monteleone, 2009). Based on Kramer (1959), sensory

quality concept can be defined as "the composite of those characteristics that differentiate among individual units of a product and have significance in determining the degree of acceptability of that unit by the user". Some authors emphasized on product oriented of sensory quality while another emphasized on the second part which considered that sensory quality is consumer oriented (Costell, 2002). Thus the use of consumer panel is appropriate in determining sensory quality of food. Sensory evaluation of food are usually been done in formal testing location. The environments are controlled from extraneous factor which can affect judgments on food. However, some argue that testing food in laboratory location eliminate the human factors associated in food consumption.

The challenge for researchers, marketers and food service operators is to develop and implement the methods necessary to make the translation. The study of fruit that need consumer to taste are usually undertaken in formal testing location and away from usual contextual and environmental situations associated with fruit consumption (Jaeger 2000) while in attitudinal research, tasting of products are seldom incorporated into the protocols (Baker & Crosbie, 1994; Van Der Pol & Ryan, 1996). Therefore this study aimed to incorporate the tasting experience of fruit in real tasting location such as at home and food service institution and compare that with tasting fruit in formal testing facility. The results from the research can contribute into a new paradigm of testing location and differences in view will leads to a better decision in choosing the best test location appropriate for a different category of product.

Hence, the framework and propositions of this research are posited.



Proposition 1: There is a relationship between sight and consumer acceptance of fruits in a restaurant setting.
Proposition 2: There is a relationship between smell and consumer acceptance of fruits in a restaurant setting.
Proposition 3: There is a relationship between taste and consumer acceptance of fruits in a restaurant setting.
Proposition 4: There is a relationship between touch and consumer acceptance of fruits in a restaurant setting.
Proposition 5: There is a relationship between hearing and consumer acceptance of fruits in a restaurant setting.

LITERATURE REVIEW

Test location

Testing location exhibit different degree of control which will then affect consumer responses to the product being used (Meilgard et al., 1986). Pound et al (2000) found that consumers are more critical when evaluating attributes in a formal sensory laboratory. The study which evaluates consumers liking of attributes of chocolate tested in four testing environments; in-home testing, central location testing, teaching laboratory and formal sensory testing facility found that all four locations has similar results, indicating that conducting sensory evaluations at home is as valid as collecting consumer opinion in traditional location. Consumers perceived product favourably in terms of flavour, texture and overall preference when evaluated in the familiar setting of

the home (Kennedy et al., 2004). Kozlowska et al. (2003) also found that hedonic values for low sugar level samples had higher scores as opposed to higher sugar juices when the test was carried out at home. However, repeated exposures, context with meal or social events may have an impact on hedonic judgements while in the laboratory the measurement was restricted to momentary impression (Kozlowska et al., 2003). Meanwhile Boutrolle et al. (2005) introduce a new criterion when comparing central location test with home use test results that is the concept of robustness.

Sensory evaluation methodology

Sensory evaluation is a "scientific discipline" used to evoke, measure, analyze and interpret reactions to those characteristics of foods and materials as they are perceived by the senses of sight, smell, taste, touch and hearing (Institute of Food Technologist, 1981). It is a method adopted to taste food samples using controlled procedures and exterior environment influence. According to Cardello (2003), the main objective of sensory science is to uncover the basic visual, gustatory, oldfactory and tactile mechanisms that influence approach and avoidance behavior toward foods. Depending upon research question, sensory food science utilizes physicochemical, physiological and consumer-based research methods. This method was debated to prolonged research and development procedures, therefore another method of sensory evaluation that can be used is home test. The acceptance or preferences of foods are being determined at home rather than consumer being called to taste the food sample in controlled laboratory environment. It has been argued that consumer actually consume the product in their real consumption situation therefore any testing for acceptance or preference should be done at home with their own lighting and eating condition.

There has been difficulty in assessing consumer preferences and choice of fruit (Harker et al., 2003) because many studies that get consumers to taste fruit are done in formal testing facilities and away from usual contextual and environmental situations associated with fruit consumption (Jaeger, 2000). Therefore the use of sensory evaluation method in different testing location is aimed to provide another valid testing location for food industry.

Sensory test of product consisted of several methods. One of the most common and simple method to gather consumer preference and acceptance towards product is by using hedonic or affective test. This test require consumer panel to choose or rate product based on their degree of likeness using a 9 point (Meilgard et al., 1986) or 7 point hedonic scales (Aminah, 1994). The scales which include verbal descriptors from dislike extremely at one end and like extremely at another end is easier to use including for children (Lawless & Heymann, 1999).

Catering services and consumer preference and acceptance of meals

Food and beverage industry is one of the four main components in the hospitality industry. The trend of eating out has lead to the growth of this industry supported by the other emerging trends such as higher income and higher population especially in urban area. The changing lifestyles have increased the number of eating out of home experience among consumers. These lifestyles changes such as increased number of elderly in institution, catering services for homes and fine dining meals all contributed to the needs for the importance of analyzing consumer preference and acceptance of food in institutional environment. This leads to the needs of managing the customer and making sure that all the needs and preferences can be fulfilled to increase the revenue of the industry. According to the demographic and economic indicators (Euromonitor) consumer expenditure on food in 2009 was USD11, 989.34 million and it is expected to rose to USD12, 473.13 this year. On top of that, tourist's receipts also contribute to the revenue of food and beverage industry in Malaysia.

Research in the institutional environments focused on consumer perceptions of institutional meals (Cardello et al., 1996), on the contribution of individual meal items towards overall acceptance, and on the mutual interactions between meal items (Meiselman, 2000). The test location as a predictor for consumer positive or negative perceptions and acceptance of food has not been discussed in any other earlier literature which focused on the institutional meals. Nevertheless, the effect of stimulus range in sensory tests has been well studied and has resulted in a robust literature on perceptual contrast effects and contextual dependencies in sensory testing (Cardello, 2003). From the results, it shows that both sensory and affective responses are extremely sensitive to the nature and range of contextual stimuli. It is related to the change of predicted choice of customer from one marketplace setting to another.

According to the traditional model of customer satisfaction, a set of functional benefits will be received when consumer consume the product. This has been approved through past research done on consumer's satisfaction response (Oliver, 1980; Oliver and DeSarbo, 1988; Fornell et al., 1996). When consumers are in the midst of consuming food, which they can taste, smell, feel and see the food, it is expected that the

consumption emotions generated will critically impact the extent to which a consumer is satisfied with the experience (Philips, 2000). Having seen the trends and the importance of eating out experience in part of the consumer, it is essential to evaluate food product preference and acceptance in the food service environment.

METHODOLOGY

The test in formal testing location will follow the guidelines from ISO (1998; 1994). Samples will be prepared in the laboratory and presented to the panels in blind 3 digit number coded and permutated.

While the testing for home use will follow the protocol method in Kozlowska et al. (2003). Samples will be prepared in the laboratory and delivered to the subjects one a time each day. The subjects will be requested to taste the fruit ad libitum and later assesses the degree of liking. The score sheet and the balance will be collected the next day with a new set of test samples delivered.

The test in food service institution will be done in the mock restaurant in the Faculty of Hotel and Tourism Management in Universiti Teknologi MARA. The restaurant which has close resemblance of actual restaurant can provide some control on many extraneous factors that may influence test results. Subjects will be invited to the restaurant for mock tea and the test samples will be served randomly for each subject. They are allowed to taste as much as they like but the testing time will be limited to 7-10 minutes in which the subjects need to rate their liking on the score sheet.

Sample preparation

Three types of fruits will be used which are watermelon, papaya and honeydew to represent local fruits that are usually consumed by Malaysian. These fruit was chosen because of its non seasonal nature and can be bought anytime all year. Furthermore, the fruit will not easily brown while holding.

CONCLUSION

It is anticipated that sensory test done in food service institution will have similar positive results as home use test. This will provide another valid platform of generating study data from testing food in food service institution. For future research, it may be directed into different test location such as food exhibition hall to compare the outcome of the preferences. Different food product can also be used to know the effect of test location towards the product. On top of that, consumer emotions and consumer demographic profiles can be used to track the preferences of different consumers with different background.

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THE EFFECT OF TERRORISM TOWARD HOTEL OCCUPANCY IN JAKARTA

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ABSTRACT

The issue of terrorism nowadays are often to hear. Terrorism also, has become a major thread for the peace of the world. Indonesia, had become one of the target countries of this crime against humanity. More than that, Indonesia even accused by the United States and its allies as the country for terrorists to hide. Terrorism is also annoyed the way a nation to achieved its goals in economic aspects. Other than that, terrorism also can inhibit the income of Indonesian foreign exchange and disturbing the image of Indonesian tourism in the world community. in this case, tourism itself is very closely related to the hospitality industry, where Tourists and expatriate who work in Indonesia requires temporary accommodations such as hotels. security therefore becomes absolutely necessary for the creation of foreign exchange for our country, and also, a high occupancy for the hotels itself.

***Keywords** :* Terrorism, tourism, hospitality,and occupancy

I. INTRODUCTION

The tourism sector plays an important role in Indonesian economy, both as source of foreign exchange and source of employment as well as business opportunity. To increase the people's welfare, tourism development should be continued and increased by expansion and utilizing the source and potency of national tourism to become an economic activity that can be expected to increase the foreign exchange receipts, expanding and equalizing employment and business opportunities, especially for local society, to stimulate regional development, and popularize the national identity and culture. In tourism development, the national way of life and the quality of the environment have to be maintained. Tourism development is being carried out in conjunction with other development programs among various tourism industries, so not only small and medium, but also large scale tourism enterprises can make benefits mutually.

I.a CONCEPT AND DEFINITION OF TERRORISM

terrorism is primarily a symptom of growing violence that accompanies human development itself. terrorism as a crime against humanity, it is suspected have been exist since the days of ancient Greece, ancient roman and medieval (Kerstetter, 1983). literately, terrorism classically defined as violence or threat of violence that has been done or in progress to create fear in society (Lequeur, 1996).
"Word of terrorism comes from Terror, which in turn comes from Latin word "terrere", meaning to frighten". (Ezzat A Fattah, 1997)

the days of French revolution, circa 1794, also known the word "le terreur." The word "le terreur" was originally used to describe an acts of violence done by the regime that came from the results of French revolution of dissidents who are positioned as the enemy of the state. reign of terror that was developed by the post-revolutionary France was executed by anti-government activists, to behead the victim below the pole of the fierce Guillotine. since then, the word terror came into the realm of European languages.

the definition of terrorism itself is still causing a clash of certain ideas. complexity of the problems associated with acts of terrorism, resulting the understanding of terrorism itself is still interpreted and understood differently. Walter Laqueur (1999), reviewed at least more than one hundred definitions of terrorism. among others,

Terrorism has been defined as the substate application of violence or threatened violence intended to show panic in society, to weaken or even overthrow the incumbents, and to bring about political change. It shades on occasion into guerrilla warfare (although unlike guerrillas, terrorist are unable or unwilling to take or hold territory) and even a substitute for war between states. (Lequeur 1996)

II. THE DEFINITION OF HOTEL OCCUPANCY

According to http://www.thefreedictionary.com/hotel+occupancy, Hotel Occupancy is the percentage of all rental units (as in hotels) are occupied or rented at a given time. Occupancy is the number of occupied rooms in a hotel, motel, or lodging house designed and normally used for sleeping and living purposes. And the meaning of occupant itself is a person who has a right to use or possess any room or rooms in a hotel, motel, or lodging house under any permit and right of access. Based on the conclusion mentioned before, the mean of hotel occupancy will be the percentage of currently rented rooms according to room available in the hotel.

III. TERRORISM AND NUMBERS OF TOURISTS IN INDONESIA

Recently, hospitality industry in Jakarta are experiencing shrinkage in occupancy by the cause of terror and bombed that hit a 5 star hotel in Jakarta in 2003 and 2009. Before the year, Indonesia also had been bombed by terrorist by the year 2002 in bali. This incident had made Indonesian image for their security and tourism gone bad. Fortunately, Indonesia always get the trust from the expatriate and foreign Tourists who want to come and visit. it was inseparable from the role of the government in improving the image of Indonesia in the international tourism.

Tahun	Jumlah Wisatawan Mancanegara	Rata rata Lama Tinggal (Hari)	Jumlah Pengeluaran per orang (in USD)		Jumlah Penerimaan Devisa
			Per kunjungan	Per hari	
2000	5.064.217	12,26	1.135.16	95.59	5.748.80
2001	5.153.620	10.49	1.053.36	100.42	5.396.26
2002	5.033.400	9.79	893.26	91.29	4.305.56
2003	4.467.021	9,69	903.74	93.27	4.037.02
2004	5.321.165	9,47	901.66	95.17	4.797.88
2005	5.002.101	9,05	904.00	99.86	4.521.89
2006	4.871.351	9,09	913.09	100.48	4.447.98
2007	5.505.759	9,02	970.98	107.70	5.345.98

Source : Statistical Report on Visitor Arrival to Indonesia.

.IV. TERRORISM TOWARDS HOTEL OCCUPANCY IN JAKARTA AFTER 17TH JULY 2009.

JW Marriott and Ritz Carlton, is the hotel that had been bombed by the terrorist in 2009. The effect of the bombing is influential to other five star hotel in Jakarta. Room Occupancy Rate (ROR) for star hotel in Jakarta on august 2009 had reached 56,62%, decreased for about 0.43 point from ROR july 2009. Still in August, if we classified the hotel by its level, ROR for five star hotel is still on the highest level, which is 64,39 %. And the lowest is a 4 star hotel which is only reached 49,17 %. ROR for a star hotel that is classified by the classification of hotels, the combination of ROR on August 2009 had decreased compared to ROR on July 2009. On the other side, the classification on for a 5 star hotel and a star hotel had increased the ROR each amounting to 4,37 point and 8,04 point.
(source : http://www.jakarta.go.id/v70/index.php/en/info-statistik/2060-pariwisata-dki-jakarta-agustus-2009)

NUMBER OF AVERAGE GUEST PER DAY OF ACCOMODATION ESTABLISHMENTS BY ACCOMODATION CLASSIFICATION, 2008

Accomodation classification	Indonesia	Foreign	Total
5 star	3,415	2.367	5.782
4 star	3.333	1.321	4.654
3 star	3.570	424	3.994
2 star	1.935	415	2.350
1 star	1.550	128	1.678

Source : central statistical agency (BPS)

NUMBER OF AVERAGE GUEST PER DAY OF ACCOMODATION ESTABLISHMENTS BY ACCOMODATION CLASSIFICATION, 2009

Accomodation classification	Indonesia	Foreign	Total
5 star	3.605	2.455	6.060
4 star	3.651	3.330	6.981
3 star	3.833	457	4.290
2 star	1.912	281	2.193
1 star	1.738	158	1.896

Source : central statistical agency (BPS)

V. CONCLUSION

Based on the statistic that have been taken by the Central Statistical Agency, conclusion can be drawn that even though Jakarta had been bombed twice, The international World still willing to come and stayed here at our star hotel. It is because that Jakarta is a capital city of Indonesia where the central economic of this nation is always accomplished.

Also, There are many ways on how to increase the hotel occupancy. There are hotel facilities, Quality of Service, Guest satisfaction, Market, Promotion, and Price. By strengthening all of the aspects, a hotel can reach every target that been provide by the manager and the owner. A service that truly came from the employee's heart is also an important point to make a guests stay longer in a hotel and give them their promise to come back at another tim

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