SUMMARY

FEBRIANA ADIYA RANGKUTI. Analysis of Factors Affecting Purchase Intention at Chung Gi Wa Korean Restaurant In South Jakarta. Supervised by LILIK NOOR YULIATI and DIAH KRISNATUTI.

Culinary business in Indonesia including business with enormous profits and also much in demand market of the globalization era. It’s supported by people’s lifestyles that tend to have the habit of buying food at restaurants with the aim of being more efficient, gathering with friends or family, and meeting business associates. Based on a survey conducted by BPS (2014), DKI Jakarta has the most significant increase in the number of a medium and large restaurant business. The existence of Hallyu/Korean wave (fever Korea) that has been developing in Indonesia’s one of the reasons for the emergence of interest of Indonesian people to Korean ethnic food.

There are seven latent variables in this study: attitudes towards Korean celebrities, attitude towards Korean drama, attitude towards Korean pop music, store atmosphere, product quality, country of origin, and purchase intention. This research aims (1) to analyze the demographic statistics of Chung Gi Wa Restaurant consumers, (2) to analyze the influence of Korean culture (attitude towards Korean celebrities, Korean TV dramas, Korean pop music) to Korean country of origin, (3) to analyzed factors affecting purchase intention of Chung Gi Wa Restaurant, (4) to formulate an appropriate managerial implication strategy to increase purchase intention of Chung Gi Wa Restaurant.

The research was conducted in three restaurants of Chung Gi Wa South Jakarta. The approach used in this study’s a survey on consumers Chung Gi Wa. The type of data used is primary and secondary data. Primary data were obtained from interviews with structured questionnaires, and secondary data were collected from supporting data, such as from the Central Bureau of Statistics, Department of Tourism and Culture, journals, and literature. The sampling technique used in this research is convenience sampling technique. The total respondent was obtained from 180 customers with the conditions of those who have visited the CGW Restaurant in South Jakarta, at least one visit. Data processing technique used in this research is Structural Equation Modeling (SEM) with LISREL 8.8 software and descriptive analysis using SPSS 23.

Based on the results of the study, it is found that the majority of respondents are women with ages of 18-26, unmarried, educated in bachelor degree, and have been working as a private employee. The frequency of visitors to Korean restaurants by 86.1 percent dominated by 1-3 times in the last three months. The most visited CGW restaurant branch is dominated by CGW Grand Wijaya Center Dharmawangsa (35.0 percent). The majority of respondents paid a one-time fee of Rp 150,001 - Rp 250,000 (50.6 percent). As many as 74.4 percents of respondents visited the Korean restaurant with friends with the reason of the taste of Korean food as much as 86.1 percents and with a purpose to eat 52.2 percent.

In this study, the crosstab between age and frequency of visits to Korean restaurants has a chi-square value of 0.970, meaning there is no significant correlation. Also, the monthly expenditure with a frequency of visits to Korean restaurants has a 0.028 chi-square value, which means there is a significant
correlation. This data proves that someone who has expenses above Rp 6 000 000 has an excess ability to fulfill his/her desire to visit Korean restaurant. The relationship between the sexes with the frequency of visits to Korean restaurants with a 0.056 chi-square value also did not have a significant correlation. The correlation between the level of education with the frequency of visits to Korean restaurants has a chi-square value of 0.007, meaning there is a significant correlation. The higher one's educational aspect, the more information it gets.

Based on the evaluation of model fit level, this research model is said to be a good fit, so it is worthy of the hypothesis test. In addition, the results of the suitability model test are valid and reliable. As for the result of suitability test of the structural model, all hypothesis is significant. Attitudes towards Korean celebrities influence popular culture. Popular culture has a positive contribution to the country of origin, this variable also has a contribution to the purchase intention, and the variable store atmosphere and product quality have a positive contribution to purchase intention and plan at the CGW Restaurant. The results show that r-square country of origin is 0.67, meaning that country of origin variation can be explained by popular culture factor of 67 percent, while the other factors outside the model explain the remaining 23 percent. Likewise with the value of r-square purchase intention of 0.81, meaning that purchase intention variability can be explained by the country of origin, store atmosphere, and product quality of 81 percent, the remaining 19 percent explained by other factors outside the model.

Managerial implications for CGW Restaurant are developing target market, add more menu variation, and maintaining good raw material quality. Adjusting prices with competing restaurants, maintaining a store atmosphere that characterizes traditional Korean homes, and routinely providing promos to consumers. In addition, maintaining and improving the hospitality and courtesy performance of people/restaurant actors, improving the performance of the process in serving and responding to consumer complaints and pay attention to the restaurant environment such as parking lots.

Keywords: country of origin, pop culture, purchase intention, restaurant, SEM