

COMPARISON ANALYSIS OF MALE AND FEMALE BUYING DECISION TOWARDS SOFTWARE PIRACY PRODUCT

by:

Gloria Estevanie Kumendong

¹Faculty of Economics and Business,
International Business Administration (IBA) Program
University of Sam Ratulangi Manado

email: kumendonggloria@gmail.com

ABSTRACT

Consumer buying decision is indeed a unique and interesting discussion, because this is related to various factors in the various dimensions of differential human life. One interesting fact which became attention of many people is the circulation phenomenon of piracy as a new alternative in the consumption choices of consumers. This research is conducted in Manado. The objectives of this research are to analyze the significant difference between male and female consumer buying decision and consumer purchase intention, partially and simultaneously. This research is a comparison type. This research is a quantitative method since using questionnaire as a tool to gather data and analysis. Using the t-test model to answer the research problem. The hypothesis of this research is to conduct a conclusion of there is a significant difference of male and female buying decision and purchase intention. The population observed are the IBA Students of Faculty of Economy and Business UNSRAT with sample as many as 50 male respondents. This study reveals that consumer buying decision of male and female have no significant difference which means both of male and female students have the same thought while making a decision of buying pirated software, so any manufacturer or individual need to evaluate standard that use in creating the piracy software.

Keywords: *consumer buying decision, consumer purchase intention.*

INTRODUCTION

Research Background

One interesting fact which became attention of many people is the circulation phenomenon of piracy as a new alternative in the consumption choices of consumers. By economic activities of human life, there will be always a new phenomena in their behavior patterns. There are varieties of products ranging from software, cd, dvd, music, copyright, and also including counterfeit goods. Software is the easiest way for users to interact with the hardware of a system. With modern day computers, it would be impossible to accomplish anything without software.

Piracy has become a major problem for the software industry. The common research framework in studies of software piracy is based in the domain of ethical decision-making. However, certain studies suggest that many individuals do not treat software piracy as an ethical matter (Glass & Wood, 1996). High piracy could bring about some negative consequences, such as foreign investment withdrawal, company bankruptcy, job reduction, and decreased tax revenues, which would seriously threaten social stability. If we think clearly, the benefit of pirated software product is just less price. When we used pirated software, we could not update it and just stick with the old version of it. Instead, if we buy the original product, we may find it a little bit expensive than the pirated one, but the original one gives us more benefit, which are; update capability, guarantee, and full version. We also know where and to whom to complain if there is something wrong with the original software that we purchased.

How IBA students see this software product are so obvious, just like previous studies indicated that software piracy was pervasive in colleges, and most students thought that purchasing, using, or sharing pirated software was acceptable behavior. They assume that software piracy is a simple matter that no need for they to

put concern about, as long as they have the software for free they do not care and think about the impact for the economy itself. Their behavior of purchase piracy product is also influence by their own enviroment, if their family and friends using piracy product then why they have to use the original one. Because of this matter, both of families and friends should have aware and know about the impact of using piracy products and also knowing the benefit of original products that have much better benefit and usefulness for them.

Research Objectives

The objectives of this research are to analyze the significant difference between:

1. Male and female students perception of consumer buying decision towards software piracy products.
2. Male and female students perception of consumer purchase intention towards software piracy products.

THEORETICAL FRAMEWORK

Theories

Marketing

McDaniel, et al. (2011:3) defined marketing has two facts. First, it is a philosophy, an attitude, a perspective or a management orientation that stresses customer satisfaction. Second, marketing is activities and processes used to implement this philosophy. Burns and Bush (2006:4) defined marketing as “an organization function, not a group of persons or separate entity within the firm.” Actually, it is also a set of processes and not a single tactic such as creating and end-aisle display. The processes create, communication, deliver value to customers. Marketing is not trying to sell customer something; rather, it is providing customers with something they value. The objective of marketing is to create and manage customer relationships for the benefit of the organization and its stakeholders.”

Marketing Mix

McDaniel, et al. (2011:43) defined marketing mix as a unique blend of product, place (distribution), promotion, and pricing strategies (often) reffered to as the four Ps designed to produce mutually satisfying exchanges with a target market. The marketing manager can control each component of the marketing mix, but the strategies for all four components must be blended to achieve optimal results. Any marketing mix is only as good as its weakest component. Variations in marketing mixes do not occur by chance.

Consumer Behavior

Schiffman and Kanuk (2007:4) defined consumer behavior as the behaviour that consumers display in searching for, purchasing, using, evaluating and disposing of products and services that they expect will satisfy their needs. Consumer behavior focuses on how individuals make decisions to spend their available resources (time, money, effort) on consumption related items and the impact of such evaluations on future purchases and how they dispose of it.

Consumer Buying Decision

Kotler (2005:155) stated there are four types of buying decision behavior based on the degree of buyer involvement and the degree of differences among brands:

1. *Complex buying behavior*. Consumers undertake complex buying behavior when they are highly involved in a purchase and perceive significant differences among brands.
2. *Dissonance-reducing buying behavior*. This type occurs when consumers are highly involved with an expensive, risky purchase, but see little differences among brands.
3. *Habitual buying behavior*. This type occurs under conditions of low consumer involvement and little significant brand differences.
4. *Variety-seeking buying behavior*. Consumers undertake this type in situation characterized by low consumer involvement but significant percieved brand differences.

Piracy

Haque, et al. (2009) defined piracy is an activity that carries a much greater threat to the economy, and social and cultural well being of a nation than generally realized by the consumer. Moreover, it is an activity where short-term gains are achieved at the expense of long-term disadvantages. Consequently, consumers are

facing problems when attempting to distinguish the pirated products from the original ones. For instance, which one will they will buy; because the price of the original products are much higher than the pirated one.

Consumer Purchase Intention

A consumer's attitude and assessment and external factors construct consumer purchase intention, and it is a critical factor to predict consumer behavior (Fishbein & Ajzen, 1975). Purchase intention can measure the possibility of a consumer to buy a product, and the higher the purchase intention is, the higher a consumer's willingness is to buy a product.

Previous Researcher

George E. Higgins and David A. Makin (2004), Does Social Learning Theory Condition the Effects of Low Self-Control on College Students' Software Piracy?. Erman Haruvy, Vijay Mahajan, Ashutosh Prasad (2004), The Effect of Piracy on the Market Penetration of Subscription Software. George E. Higgins (2006), Gender Differences in Software Piracy: The Mediating Roles of Self-Control Theory and Social Learning Theory. Bahar Yasin (2009), The Role of Gender on Turkish Consumers' Decision-Making Styles.

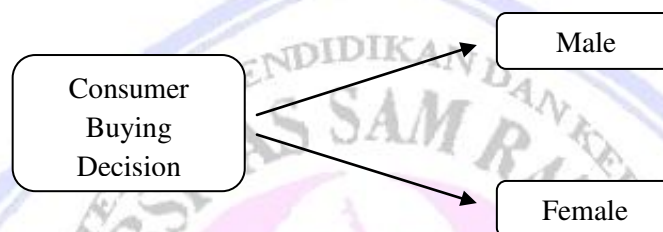


Figure 1. Conceptual Framework

Source: Processed data 2014

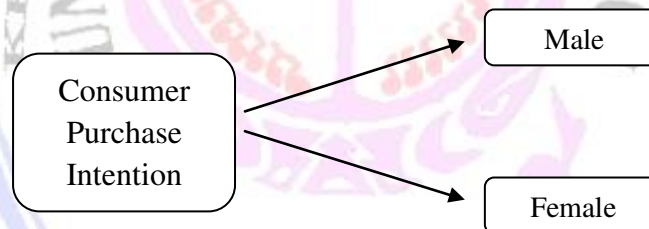


Figure 2. Conceptual Framework

Source: Processed data 2014

Hypothesis

The hypotheses of this research are:

- H₁: There is a significant difference between male and female of consumer buying decision perceptions toward software piracy product.
- H₂: There is a significant difference between male and female of consumer purchase intention perceptions toward software piracy product.

RESEARCH METHOD

Type of Research

This research is comparison type. This research is a quantitative method since using questionnaire as a tool to gather data and analysis.

Place and Time of Research

The study was conducted in Manado City and occurred at IBA UNSRAT. That field is a perfect location to do this research and find if there is any significant difference between male and female consumer buying decision and consumer purchase intention towards software piracy product. This research regarded the students of IBA UNSRAT as respondent on August 2014.

Population and Sample

Sekaran (2003:443) stated population is the entire group of people, events of things of interest that the researcher wishes to investigate. The population in this research are students of IBA UNSRAT. The age of students are between 16 to 23 above. Sample is a subset of a population that comprises some members selected from it. The sample of this research is the user of pirated software. The sampling design is convenience sampling that is considered as the best way of getting some basic information quickly and efficient. The sample used in this research is 100 respondents who buy or once buy pirated software product. Used random sampling to collect the data among residents and the number of sample used was 100 respondents. The rationale by choosing 100 sample because following the rules of thumb for determining sample size where sample size larger than 30 and less than 500 are appropriate for most researches.

Data Collection Method

They are two types of data: (1) Primary Data use questionnaires were distributed to IBA students of UNSRAT, respectively 100 sheets. While calculating weight rating customer questionnaires using Likert scale. Likert scale was associated with a statement about one's attitude towards something. And (2) secondary data is method of data collection by studying the relevant literature in order to obtain a theoretical overview from books, journals, and relevant literature from library and internet of the concept of Consumer Buying Decision and Consumer Purchase Intention.

Operational Definitions and Measurement of Research Variable.

Operational definitions of research variables are:

1. Consumer Buying Decision (X_1) in this case software piracy product is studying why people purchase goods and services are termed consumer buying decision behavior.
2. Consumer purchase intention (X_2) purpose to measure the possibility of a consumer to buy a product, and the higher the purchase intention is, the higher a consumer's willingness is to buy a product.

Data Analysis Method

Validity and Reliability Test

To analyze the validity of questionnaire, Pearson Product Moment is used. An instrument measure is valid if the instrument measure what ought to be measured. Reliability test is established by testing for both consistency and stability of the answer of questions. Alpha Cronbach is reliable coefficients that can indicate how good items in asses have positive correlation one another (Sekaran, 2003:162).

Independent sample T-test

T-test compares the means of two variables. This test is done by comparing the t-value with t-table. The level of significance is 5% ($\alpha = 0.05$). If t-value is greater than t-table hypothesis is accepted.

RESULTS AND DISCUSSION

Result

Compare Means Based on Customer Buying Decision and Consumer Purchase Intention. towards software piracy product divided as Male and Female

Table 1. Group Statistics

Gender		N	Mean	Std. Deviation	Std. Error Mean
X ₁	Male	50	3.1033	.56433	.07981
	Female	50	3.0700	.58233	.08235
X ₂	Male	50	3.6933	.72168	.10206
	Female	50	3.7800	.64807	.09165

Source: SPSS 19, Year 2014

The table above shows us the difference between the independent sample based on group of gender 1 and 2 which is defined as Customer Buying Decision and Consumer Purchase Intention. Mean of this table calculates from total respondent's answers of Customer Buying Decision and Consumer Purchase Intention ($X_1 - X_2$). Samples are distributed to 100 respondents of Customer Buying Decision and Consumer Purchase Intention. Customer Buying Decision for male is 3.10 and female is 3.07 and Consumer Purchase Intention for male is 3.69 and female is 3.78. This means that the Customer Buying Decision and Consumer Purchase Intention generally based on the mean parametric better than Customer Buying Decision.

Independent Sample T-test for Customer Retention

Table 2. Homogeneity Test of Customer Retention

X ₁		Levene's Test for Equality of Variances	
		F	Sig.
Total	Equal variances assumed	.001	.977
	Equal variances not assumed		

Source: SPSS 19, Year 2014

Normality test result shows that both groups of subjects in the study had a normal distribution. Homogeneity test results of 0.977 show that the variance between the study samples was homogeneous. Because the data is homogeneous this research use the interpretation of Equal variances assumed for the next table.

Table 3. Homogeneity Test of Customer Retention

X ₂		Levene's Test for Equality of Variances	
		F	Sig.
Total	Equal variances assumed	.001	.971
	Equal variances not assumed		

Source: SPSS 19, Year 2014

Normality test result shows that both groups of subjects in the study had a normal distribution. Homogeneity test results of 0.971 show that the variance between the study samples was homogeneous. Because the data is homogeneous this research use the interpretation of Equal variances assumed for the next table.

Table 4. Independent Sample T-test

		t-test for Equality of Means						
X ₁		t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
							Lower	Upper
Total	Equal variances assumed	.291	98	.772	.03333	.11468	-.19425	.26091
	Equal variances not assumed	.291	97.90	.772	.03333	.11468	-.19425	.26091

Source: SPSS 19, Year 2014

Table above can be seen that the value $t = 0,291$ with a significance of $p = 0.000$ ($p > 0.05$) indicates that the H_{A_1} is acceptable. Which mean there is a significant deference between Customer Buying Decision with male and female.

Table 5. Independent Sample T-test

		t-test for Equality of Means						
X ₂		t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
							Lower	Upper
Total	Equal variances assumed	-.632	98	.529	-.08667	.13717	-.35888	.18555
	Equal variances not assumed	-.632	96.887	.529	-.08667	.13717	-.35892	.18559

Source: SPSS 19, Year 2014

Table above can be seen that the value $t = -.632$ with a significance of $p = 0.529$ ($p > 0.05$) indicates that the H_{A_2} is not acceptable. Which mean there is no significant deference between Customer Buying Decision with male and female.

Discussion

Data analysis above shows the independent t-test between the group test which are male and female. This research analyzes about the compare means with independent sample t-test of Customer Buying Decision towards software piracy product Customer Retention divided as Consumer Buying Decision and Consumer Purchase Intention. The result shows that there are a mean different between Consumer Buying Decision and Consumer Purchase Intention. and it's supported by level of significant. Means that Consumer Buying Decision and Consumer Purchase Intention have a significantly different and based on the compare mean and t value is positive means that group 1 which is Consumer Buying Decision is better than Consumer Purchase Intention.

Higgins (2006), his journal provide an understanding of the gender gap in software piracy. The result that a model containing self-control theory and social learning theory can eliminate the gender gap in software piracy is important for criminologists to understand. Nonetheless, multiple-site longitudinal studies that use different social learning and self-control theory measures will go a long way in facilitating our understanding of this issue. For now, the results from the present study indicate that a combination of low self-control and social learning theory can eliminate the gender differences in software piracy.

CONCLUSIONS AND RECOMMENDATIONS

Conclusions

There are two constructive findings that can be concluded from the overall results in this research, which are listed as follow:

- 1) There is a significant difference in male and female of consumer buying decision perceptions toward software piracy product. Based on the data, it shows that the value $t = 0,291$ with a significance of $p = 0.000$ ($p > 0.05$) indicates that the H_A , is acceptable. Which means there is significant difference between Customer Buying Decision with male and female.
- 2) There is no significant difference in male and female of consumer purchase intention perceptionstoward software piracy product. The data shows that value $t = -.632$ with a significance of $p = 0.529$ ($p > 0.05$) indicates that the H_A , is not acceptable. Which means there is no significant difference between Customer Buying Decision with male and female.

Recommendations

Recommendations that can be concluded from the overall result in this research, which are listed as follow:

- 1) Any manufacturer or individual a piracy software need to evaluate production standard that use in creating the piracy software, regarding with the importance of the satisfaction, psychological from the consumers, Individual Differences, Experience, Preference, External Environment for the intention of Manadonese to purchase a software piracy. It is essential because the original product can more appreciated by many people in this city, because of its better quality.
- 2) On the other hand, any manufacturing company that produces original software need to evaluate the pricing method for its offered product, for ensuring that many people in the Manado City will be interesting to purchase original software.

REFERENCES

- Fishbein, M., & Ajzen, I., 1975. Belief, attitude, intention and behavior: An introduction to theory and research. Reading, MA: Addison-Wesley. *Journal of Human and Social Science Research*. ISSN 2331-4974. Available at <http://home.comcast.net/~icek.aizen/book/preface.pdf>. Retrieved on June 17th 2014, Pp. 1-6.
- Glass, S. R., & Wood, A.W. 1996. Situational determinants of software piracy: An equity theory perspective. *Journal of Business Ethics*. ISSN 1189-1198, 5(11). Available at <http://link.springer.com>. Retrieved on June 16th 2014, Pp. 1-10.
- Haque, A., Khatibi, A., & Rahman, S. 2009. Factors Influencing Buying Behavior of Piracy Products and its Impact to Malaysian Market. *International Review of Business Research Papers*. ISSN 1832-9543. Available at www.bizresearchpapers.com. Retrieved on June 12th 2014, Pp. 383-401.
- Haruvy, E., Mahajan, V., Ashutosh, P. 2004. The Effect of Piracy on the Market Penetration of Subscription Software. *Journal of Business*. ISSN 0021-9398, Vol. 77, No. 2, Pt. 2. Available at <http://www.utdallas.edu/~eharuvy/papers/Piracy.pdf>. Retrieved on June 12th 2014, Pp. 1-28.
- Higgins, G. E. 2006. Gender Differences in Software Piracy: The Mediating Roles of Self-Control Theory and Social Learning Theory. *Journal of Economic Crime Management*. ISSN 1437-9384, Vol. 4, Issue 1. Available at <http://www.utica.edu>. Retrieved on June 16th 2014, Pp. 1-30.
- Higgins and Makin. 2004. Does Social Learning Theory Condition the Effects of Low Self-Control on College Students' Software Piracy? *Journal of Economic Crime Management*. ISSN 0894-4393, Vol. 2, Issue 2. Available at <http://www.utica.edu>. Retrieved on June 17th 2014, Pp. 1-22.

- Hsin Kuang Chi, Huery Ren Yeh, Yi Ching Tsai. 2011. The Influences of Perceived Value on Consumer Purchase Intention: The Moderating Effect of Advertising Endorser. *The Journal of Global Business Management*. Available at www.nhu.edu.tw. Retrieved on June 21st 2014, Pp. 224-233.
- Jeddi, S., Atelfi, Z., Jalali, M., Poureisa, A., and Haghi, H. 2013. Consumer Behavior and Consumer Buying Decision Process. *International Journal of Business and Behavioural Sciences*. ISSN 2226-5651, Vol. 3, No. 5. Available at http://cprenet.com/uploads/archive/IJBBS_12-1241.pdf. Retrieved on June 12th 2014, Pp. 1-4.
- Kotler and Armstrong. 2005. *Principles of Marketing*. an Asian Perspective. University of North Carolina. USA
- Kumar, R. 2008. *Consumer Behavior*. National Open University of Nigeria. Nigeria.
- McDaniel, C., Lamb, C. W., Hair, J, F, Jr. 2011. *Introduction to Marketing*. International Edition. South-Western Cengage Learning.
- Sekaran, U. 2003. *Research Methods for Business: A Skill Buiding Approach*. John Wiley & Sons, Inc. USA.
- Shiffman and Kanuk. 2007. *Consumer Behavior*. 9th Edition, Pearson Education International. New York.
- Wang, F., Zhang, H., Ouyang, M., 2005. Software Piracy and Ethical Decision Making Behavior of Chinese Consumers. *Journal of Comparative International Management*. ISSN 0481-0468, Vol. 8, No. 2. Available at <http://www.synergiescanada.org/journals/etc/jcim/103/642>. Retrieved on June 12th 2014, Pp. 44-56.
- Yasin, B. 2009. The Role of Gender on Turkish Consumers' Decision-Making Styles. *Advances in Consumer Research*. Volume VIII. Available at http://www.acrwebsite.org/volumes/ap08/ap_2009_vol8_55.pdf. Retrieved on September 7th 2014, Pp. 301-308.

