

## COMPARATIVE ANALYSIS BETWEEN LOCAL AND EXPATRIATE CONSUMERS (CASE STUDY: LITTLE KICKERS INDONESIA)

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Keywords : Local, Expatriate Price, Perceived Value, Purchase Decision.

Abstract : *Education is not only gained through a formal system but education can be gained through non formal ways. One kind of education that is important is Physical Education. Physical education is very important to have in both in and out of school. This shows that even though there are changes in educational curriculums, physical education is still a mandatory subject taught at schools. This research aims to determine the effect of price, location, and perceived value on purchase decision and to find out the difference of the influence of price, location, and perceived value on purchase decision between local and expatriates consumers at Little Kickers Indonesia. Survey of this research was conducted to all consumers in Little Kickers Indonesia at Kemang and Alam Sutra branch with total respondents is 82 people, with total of local and expatriate consumers for each are equal to 41. The results of this research show that price, location, and perceived value have a significant influence on purchase decision simultaneously both from local and expatriate consumers. The results of the comparative analysis show that only price variable that has significant differences which are tested between local and expatriate consumers in Little Kickers..*

### 1 INTRODUCTION

Education is not only gained through a formal system but education can be gained through non-formal ways. Education is not only gained through a formal system but education can be gained through non-formal ways. One kind of education that is important is P.E. (Physical Education). Physical education is an education process that uses sports as an educational tool. Physical education is very important to have in both in and out of school. A phenomenon which quoting from a research report titled “Physical Activity in the Early Years” (2015), children under five who can walk should be physically active for 180 minutes (3 hours) a day, including all activity intensities from light through to vigorous activity. However, the current level of physical activity in England shows that 91% of children aged 2-4 years do not meet the physical activity recommendations and 84% of children aged 2-4 years engaged in low levels of physical activity, classified as less than one hour per day.

From the phenomenon above, physical activity is very important especially for younger children that are more prone to diseases. One way of raising a child’s interest to do physical activities, parents can sign their children for childcare or other institutions that provide a range of physical activities. In Indonesia, one example of a non-formal institution that provides physical activities for children is Little Kickers. Little Kickers is a franchise company that focuses on physical activities for children through football. In 2017, there was a price increase for NIS (Kemang) and SPARTAN (Alam Sutera) branches about 19%. According to Little Kickers Indonesia, Alam Sutera’s venue did not have a significant development compared to Kemang after the price raise. And there is a significant difference in revenue between the venue of Alam Sutera and Kemang during 2017. The impact if the problem is not finished is that it will cause the revenue of Alam Sutera to not reach its target. Based on the illustration above, authors are interested to conduct a research to find out how price, location, and perceived value influence the level of local and expatriate consumers’ purchase decision on services in Little Kickers Indonesia.

## 2 METHODOLOGY

In this research, authors were using quantitative methods with primary data. All the data in this research were taken from questionnaire with Likert scale for the measurement scale. The research design that was used in this research was associative and comparative. For the associative analysis authors used Multiple Linear Regression and for the comparative analysis authors used Independent Sample T Test. In this research, authors used non-probability sampling and quota sampling with the sample size of 82. From 82 samples, the author divided it into two samples to become 41 local consumers and 41 expatriate consumers to use the Comparative Test or Independent Sample T Test.

## 3 FINDINGS AND DISCUSSION

Little Kickers Indonesia is an early years sports education service providing soccer lessons for children aged 18 months until 7 years old. Little Kickers started in the UK in 2002. Christine Stanschus was living in London at the time and spotted a gap in the market when trying to find pre-school football classes for her son. Little Kickers Indonesia kicked off at the first venue in Kemang, South Jakarta. With a network of 1,500 coaches and 225 franchises in 32 countries. Little Kickers is now the world's biggest pre-school football academy. The profile of local respondents based on the level of classes that mostly use the services of Little Kickers Indonesia is the parents of the students who are in the level of Mighty Kickers.

According to Sekaran and Bougie (2016:72) theoretical framework represents your beliefs on how certain phenomena (or variables or concepts) are related to each other (a model) and an explanation of why you believe that these variables are associated with each other (a theory). Sekaran and Bougie also stated there are some process of building a theoretical framework includes:

1. Introducing definition of the concepts or variables in your model.
2. Developing a conceptual model that provides a descriptive representation of your theory.
3. Coming up with a theory that provides an explanation for relationships between the variables in your model.

Below is a figure of theoretical framework which used in this research:

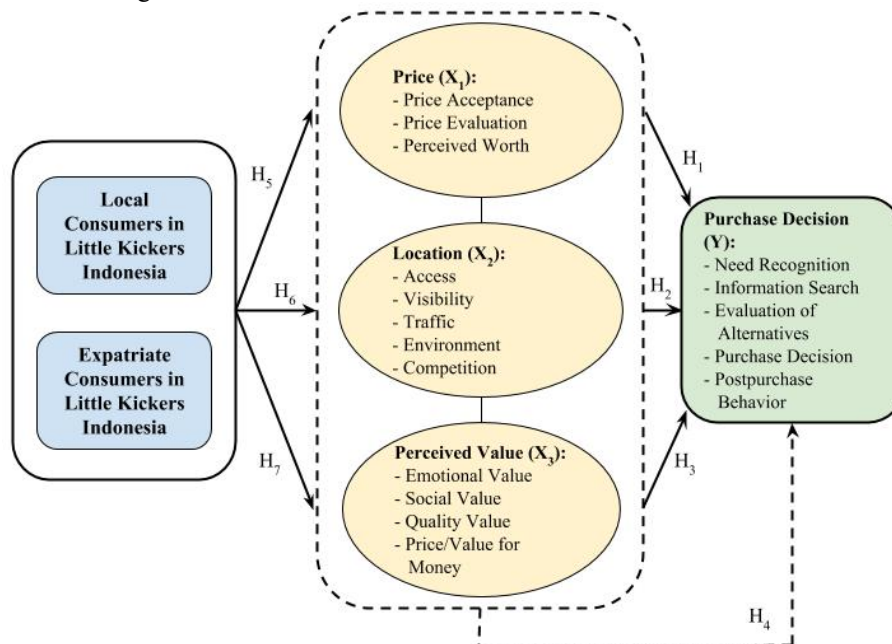


Figure 1. Theoretical Framework

### Analysis of Local Consumers

Table 1. Normality Test

| Variables         | Sig.  | Symbol | Alpha | Decision |
|-------------------|-------|--------|-------|----------|
| Price             | 0.069 | ≥      | 0.05  | Normal   |
| Location          | 0.169 | ≥      | 0.05  | Normal   |
| Perceived Value   | 0.134 | ≥      | 0.05  | Normal   |
| Purchase Decision | 0.301 | ≥      | 0.05  | Normal   |

Table 2. Multicollinearity Test

| Variables       | Tolerance | VIF   | Decision                      |
|-----------------|-----------|-------|-------------------------------|
| Price           | 0.595     | 1.680 | There is no multicollinearity |
| Location        | 0.496     | 2.016 | There is no multicollinearity |
| Perceived Value | 0.548     | 1.826 | There is no multicollinearity |

Based on the results of multicollinearity test above, there is no multicollinearity on all the variables because all the Tolerance values are above 0.10 and all the VIF value are below 10.

Table 3 Multiple Linear Regressions of Local Consumers

| Model | Unstandardized Coefficients |            | Standardized Coefficients | t    | Sig.  |      |
|-------|-----------------------------|------------|---------------------------|------|-------|------|
|       | B                           | Std. Error | Beta                      |      |       |      |
| 1     | (Constant)                  | 19.225     | 3.783                     |      | 5.083 | .000 |
|       | TotalPrice                  | .586       | .239                      | .359 | 2.456 | .019 |
|       | TotalLocation               | .388       | .276                      | .225 | 1.406 | .168 |
|       | TotalPValue                 | .456       | .263                      | .265 | 1.736 | .091 |

Based on the table above, the results of multiple linear regression in this study obtained the regression equation of variable price, location, and perceived value of purchase decision for local consumers are as follows:

$$Y = 19.225 + 0.586X_1 + 0.388X_2 + 0.456X_3 + e$$

This indicates if there is increases of 1 score on the variable Purchase Decision then the value of the variable Price will experience an increase of 0.586. Coefficient value of the Location variable is positive value of 0.388. This indicates if there is an increase of 1 score on the variable Purchase Decision then the value of the Location variable will experience an increase of 0.388. Coefficient value of Perceived Value variable is positive value of 0.456. This indicates if there is an increase of 1 score on the variable Purchase Decision then the value of the variable Perceived Value will experience an increase of 0.456. Based on the table above, the results of partial hypothesis testing known that Price variables affect the variable purchase decision. This is because the significant value of the variable Price less than 0.05 is 0.019. In the Location variable, the results of partial hypothesis testing known that the Location variable does not affect the variable purchase decision. This is because the significant value of the Location variable is more than 0.05 which is 0.168.

In Perceived Value variable, the result of partial hypothesis testing is known that Perceived Value variable has no effect on variable purchase decision. This is because the significant value of Perceived Value variable is 0.05 that is 0.091.

Table 4. F Test (Simultaneous Test) of Local Consumers

| Model |            | Sum of Squares | df | Mean Square | F      | Sig.              |
|-------|------------|----------------|----|-------------|--------|-------------------|
| 1     | Regression | 958.579        | 3  | 319.526     | 13.814 | .000 <sup>b</sup> |
|       | Residual   | 855.860        | 37 | 23.131      |        |                   |
|       | Total      | 1814.439       | 40 |             |        |                   |

Based on the table above, the significance value of F Test in this study is of the amount of which is < 0.05. It shows that all independent variables used in this study (Price, Location, and Perceived Value) are simultaneously influencing the dependent variable (Purchase Decision).

### Analysis of Expatriate Consumers

Table 5 Normality Test of Expatriate Consumers

| Variables         | Sig. value | Symbol | Alpha | Decision |
|-------------------|------------|--------|-------|----------|
| Price             | 0.138      | ≥      | 0.05  | Normal   |
| Location          | 0.407      | ≥      | 0.05  | Normal   |
| Perceived Value   | 0.157      | ≥      | 0.05  | Normal   |
| Purchase Decision | 0.184      | ≥      | 0.05  | Normal   |

Distribution of normal data, if the data has a significant value more than 0.05 and all the significant value variables above are more than 0.05.

Table 6 Multicollinearity Test of Expatriate Consumers

| Variables       | Tolerance | VIF   | Decision                      |
|-----------------|-----------|-------|-------------------------------|
| Price           | 0.410     | 2.436 | There is no multicollinearity |
| Location        | 0.423     | 2.366 | There is no multicollinearity |
| Perceived Value | 0.603     | 1.658 | There is no multicollinearity |

Based on the results of multicollinearity test above, there is no multicollinearity on all the variables because all the Tolerance values are above 0.10 and all the VIF value are below 10.

Table 7 Multiple Linear Regressions of Expatriate Consumers

| Model          | Unstandardized Coefficients |            | Standardized Coefficients | t     | Sig. |
|----------------|-----------------------------|------------|---------------------------|-------|------|
|                | B                           | Std. Error | Beta                      |       |      |
| (Constant)     | 9.466                       | 3.203      |                           | 2.955 | .005 |
| TotalPrice     | 1.177                       | .253       | .578                      | 4.649 | .000 |
| Total Location | .161                        | .223       | .089                      | .723  | .474 |
| Total PValue   | .603                        | .197       | .315                      | 3.068 | .004 |

Based on the table above, the results of multiple linear regression in this study obtained the regression equation of variable price, location, and perceived value of purchase decision for expatriate consumers are as follows:

$$Y = 9.466 + 1.177X_1 + 0.161X_2 + 0.603X_3$$

This indicates if there is an increase of 1 score on the variable Purchase Decision then the value of the variable Price will experience an increase of 1.177. Coefficient value of the Location variable is positive value

of 0.161. This indicates if there is an increase of 1 score on the variable Purchase Decision then the value of the Location variable will experience an increase of 0.161. Coefficient value of Perceived Value variable is positive value of 0.603. This indicates if there is an increase of 1 score on the variable Purchase Decision then the value of the variable Perceived Value will experience an increase of 0.603. In the Location variable, the results of partial hypothesis testing known that the Location variable does not affect the variable purchase decision. This is because the significant value of the Location variable is more than 0.05 which is 0.474. In the Perceived Value variable, the result of partial hypothesis testing is known that the Perceived Value variable influences the variable purchase decision. This is because the significant value of Perceived Value variable less than 0.5 which is 0.004.

*Table 8 F Test (Simultaneous Test) of Expatriate Consumers*

| Model      | Sum of Squares | df | Mean Square | F      | Sig.              |
|------------|----------------|----|-------------|--------|-------------------|
| Regression | 1486.279       | 3  | 495.426     | 40.224 | .000 <sup>b</sup> |
| Residual   | 455.721        | 37 | 12.317      |        |                   |
| Total      | 1942.000       | 40 |             |        |                   |

Based on the table above, the significance value of F Test in this study is of the amount of which is  $< 0.05$ . It shows that all independent variables used in this study (Price, Location, and Perceived Value) are simultaneously influencing the dependent variable (Purchase Decision)

## 5 CONCLUSION

Based on data that has been described in the results of research and discussion in the previous chapter, the conclusions can be drawn from the results of this study are as follows, for local consumers analysis at Little Kickers Indonesia, Price (X1) has a significant influence towards Purchase Decision (Y) with value of 0.586 point. In the other way, for expatriate consumers at Little Kickers Indonesia, Price (X1) also has a significant influence on the Purchase Decision (Y) with value of 1.177 point. For the local consumers at Little Kickers Indonesia, Location (X2) has no significant influence towards Purchase Decision (Y) with value of 0.388 point. This also occurs in the analysis of expatriate consumers in Little Kickers Indonesia that Location (X2) also does not have a significant influence toward Purchase Decision (Y) with value of 0.161 point. For the local consumers at Little Kickers Indonesia, Perceived Value (X3) has no significant influence towards Purchase Decision (Y) with value of 0.456 point. This is the opposite of the analysis of the expatriate consumers in Little Kickers Indonesia that Perceived Value (X3) has a significant influence towards Purchase Decision (Y) with value of 0.603 point. For the analysis of local and expatriate consumers at Little Kickers Indonesia, Price (X1), Location (X2), and Perceived Value (X3) have a significant influence toward Purchase Decision (Y) simultaneously with Sig. value for both local and expatriate consumers is 0.000. This is seen after the t test (simultaneously) on the SPSS which gives a positive result because the significant value is less than 5% (Ha accepted). In the comparative analysis, only the Price variable (X1) that has a significant differences between local and expatriate consumers in Little Kickers Indonesia. Then for the Location variable (X2) and Perceived Value variable (X3), there are no significant differences between local and expatriate consumers in Little Kickers Indonesia. This is evidenced by the significant (2-tailed) value of Price variable (X1) is 0.034 which means it is less than 0.05 and significant (2-tailed) value of the Location (X2) is 0.307 and Perceived Value (X3) is 0.212 which means they are more than 0.05.

### Recommendation

Considering the results of the analysis and discussion in the previous chapter, suggestions that can be given to Little Kickers Indonesia with the influence of Price (X1), Location (X2), and Perceived Value (X3) toward Purchase Decision (Y), are expected to be is a consideration for a better marketing strategy for services offered by Little Kickers Indonesia, to Little Kickers Indonesia is expected to reconsider the cost or price offered to all customers both local and expatriate. This is because price is able to be one of the most influential factors on consumer purchasing decisions. Furthermore, for the location and perceived value variable does not have a

significant influence on partial consumer purchasing decisions while in the expatriate consumer's only variable perceived value which has a significant influence on purchasing decisions partially. Little Kickers Indonesia's locations are strategic according to the research survey so it is recommended that Little Kickers Indonesia keeps on operating at its strategic locations and Little Kickers Indonesia must maintain its service quality in order to maintain perceived value for expatriate consumers and can create perceived value for local consumers so as to improve purchasing decision. Based on the results of independent samples t test in this research, there is a significant difference of the influence of price towards consumers purchase decision between local and expatriate consumers in Little Kickers Indonesia. So, the company should care about the price since only price that has a significant difference and the mean value for the local consumers is lower than the expatriate consumers.

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