

Fake Patriotism: Economic Necessity or Genuine National Pride?

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Abstract

This research explores the phenomenon of "fake patriotism" among Gen Z consumers, particularly focusing on their purchasing behavior regarding domestic vs. foreign brands of sneakers. Conducted with 209 participants, the study aimed to understand whether younger generations' attraction towards domestic products stems from genuine national pride or mere economic necessity. The study revealed that while some respondents exhibited strong allegiance to domestically produced sneakers, driven by sentiments of national pride, others preferred foreign brands primarily due to superior quality and strong brand power. The findings suggest that economic factors play a significant role in Gen Z's purchasing intention regarding sneakers, with many would choose foreign brands once they have a better purchasing power despite potential patriotic inclinations. This research provides valuable insights for local sneaker producers to adapt their marketing strategies and workmanship to better answer the expectation of customers.

Keywords fake patriotism, purchaing power, generation Z, purchase intention.

1. Introduction

Consumer interest in purchasing locally made Indonesian fashion goods is declining, yet there are still a lot of promising fashion firms developing and expanding in Indonesia (Trisatya & Absah, 2022), and so a study is needed to raise local brand awareness among Indonesian customers. According Heriyati et al., (2023) country of origin significantly influences brand image and perceived quality, which in turn affect purchase intentions and positive perceptions of brand image and high perceived quality from abroad lead to higher purchase intentions. On the other hand studies indicate that patriotism significantly influences consumer behaviour towards buying local products, often overshadowing economic factors (Heiman & Just, 2021) (Kostić et al., 2021). However, economic constraints can also play a crucial role, as consumers may prioritize affordability over patriotism when financial resources are limited (Wojciechowska-Solis, 2022) so even though research suggests that patriotism is a strong motivator, it may not be the sole factor influencing purchasing decisions, there is a complex interplay between emotional and economic considerations. (Kazokienė & Meištė, 2018).

Many Gen Z consumers face economic challenges such as student debt, limited income, and high living costs (Fathinasari et al., 2023). Most Indonesian Gen Z earn less than Rp 2.5 million per month, which influences their purchasing decisions and makes them budget-conscious shoppers, they prioritize price and convenience, often seeking discounts, promotions, and free

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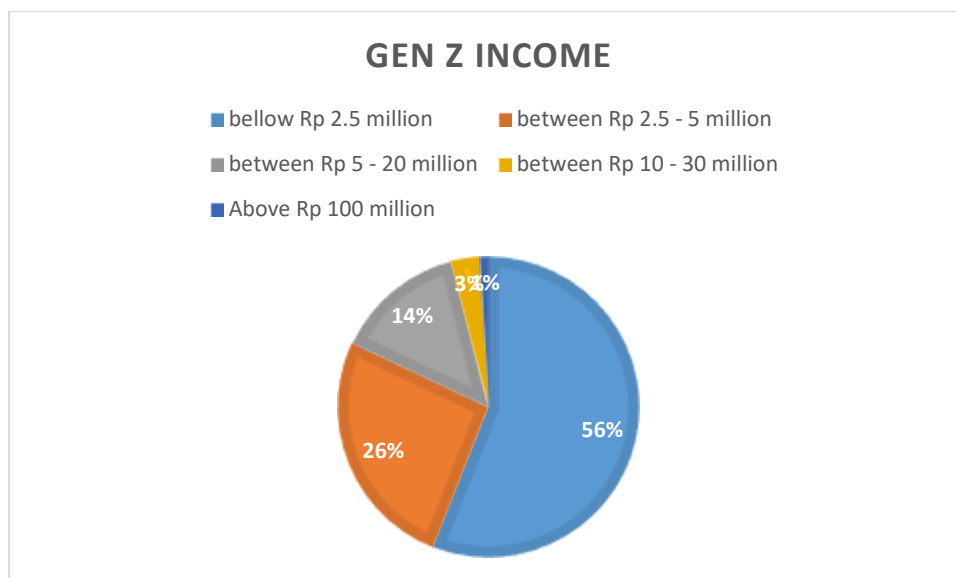
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delivery services. These financial constraints often lead them to prioritize essential purchases over discretionary spending. According to Gen-Z report conducted by IDN Research Institute in 2024, Significantly, 56% of respondents said they make less than Rp 2.5 million a month. In the meanwhile, 26% stated that they had an earning between Rp 2.5 million and Rp 5 million each month. A modest 14% reported having an income of every month, between Rp 5 million and Rp 20 million. Furthermore, 3% reported a decline in their income. between Rp 10 million and Rp 30 million every month. Just 1% of respondents said their monthly income exceeds 100 million Rp. These figures demonstrate the range of income levels at which Indonesian Gen Z occupied, highlighting the range of financial situations inside this age group

Figure 1. Gen Z Indonesia average income (IDN Report 2024)



2. Literature Review

According to Merriam Webster dictionary, patriotism is love, dedication, and devotion to a country. It has a favourable effect on consumer ethnocentric tendencies, suggesting that those who are more patriotic are more likely to choose homegrown goods (Baber et al., 2024). There is a strong link between consumer ethnocentrism and patriotism, both positively influencing the purchase intention for domestic products (Čvirik, 2021). The phenomenon of "fake patriotism," is where an individual or groups engage in performative displays of nationalist rhetoric and symbols without genuine commitment to the underlying principles and social responsibility of the nation (Balabanis & Diamantopoulos, 2016), whereas according to Lewis (2021) fake patriotism is when a person's words and deeds go against the fundamental values of national patriotism.

Mankiw (2020) explains that purchasing power refers to the quantity of goods and services that can be bought with a given amount of money. A person's purchasing power is different from another's, and their status, occupation, wealth, and other factors would reveal the person

Seminar Nasional FMI 2024 Manado

Prosiding



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Vol. 2
5-7 November 2024

purchasing power. (Ali, 2019). With people with low purchasing power, they tend to choose local products because they are more affordable than imported goods, and this choice is often driven by economic necessity rather than a heartfelt commitment to supporting local industries. Research indicates that financial constraints significantly influence consumer purchasing decisions, leading to a preference for cheaper local options (Deputatova et al., 2018).

Purchase intention is a common and useful indication for predicting customer behaviour (Zhang & Zhang, 2023). Purchase intention refers to the level of willingness and inclination a customer has to buy a particular product or service. It represents the subjective tendency of a consumer to engage in a purchase behavior, reflecting their readiness to convert their interest into actual buying actions (Li et al., 2022), and according to Gogoi (2013), customers' purchase intentions might vary depending on many aspects such as price, perceived value, and quality.

Generation Z, often referred to as "Gen Z," is the cohort of individuals born between 1997 and 2012, succeeding Millennials and following the footsteps of their predecessors. This generation has grown up in a rapidly evolving digital landscape, with constant exposure to technology and social media, shaping their perspectives and expectations in the business world. As Gen Z begins to enter the workforce, their unique traits and priorities are prompting organizations to adapt and evolve their practices to accommodate the needs and preferences of this emerging generation of employees and consumers (Wilson, 2019). However, when it comes to purchasing power, Gen Z demonstrates distinct characteristics compared to their Millennial counterparts. They are more price-conscious, value-driven, and less brand-loyal, often seeking out products and services that align with their personal beliefs and social consciousness. (Balabanis & Diamantopoulos, 2016), and studies also found that price consciousness and family recommendations are among the most influential determinants of Gen Z's buying behavior, likely driven by their limited financial resources. (Kawulur et al., 2022). This behaviour shown by Generation Z has compelled businesses to reevaluate their marketing strategies and product offerings to cater to the evolving preferences of Gen Z.

3. Research Method

Both qualitative and quantitative approaches are used in this research. Closed ended questionnaires have been distributed to 209 generation Z in North Sulawesi, as according to Sekaran (2006), who cites Roscoe's perspective, a suitable sample size ranges from 30 to 500 participants, meeting the criteria for various studies, the sampling method employed was purposive sampling toward generation Z only to see their purchase intention towards local versus imported sneakers in their current situation as students and once they have more purchasing power. Aside from that, an open ended questions were given for them to explain the reason why they choose local or imported product in both situation. This study is using the Miles and Huberman method that emphasizes the systematic collection, analysis, and interpretation of qualitative data. This method view data not just as numbers or points, but as stories that hold deep meanings about the phenomena being studied. This method involves several distinct steps such as data reduction that involves selecting, focusing, simplifying, and transforming the raw data into a more manageable form, and then data is organized and

Seminar Nasional FMI 2024 Manado

Prosiding



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Vol. 2
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presented in a way that allows for easy analysis and interpretation. This can include charts, graphs, matrices, and networks, and finally data interpretation that involves interpreting the data, drawing conclusions, and verifying these conclusions through further data collection or triangulation.

4. Finding and Discussion

From the 209 questionnaires distributed, 60.8% claim that they have purchase intention is to buy foreign brand sneakers and 39.2% claim to have purchase intention toward the local brands. The results of the next question shwon that when they have higher purchasing power show that the purchase intention toward foreign product increase from 60.8% to 78.8% and the local brand decrease from 39.2% to 21.2%, since out of 83 people who intended to purchase local product, 51 people (61.5%) change their intention to purchase foreign products once they have higher purchasing power. The respondents are ambitious once they have more purchasing power, they would go for better perceived quality sneakers from abroad. This participant captured much of what was noted by others:

“Because I can already afford to buy and would rather have foreign products that I know are of better quality”

And it is also strengthened by others saying:

“If I already earn and have more, I think buying foreign brand shoes will be my priority, maybe to fulfill my desires that I could not fulfill when I was unemployed”

Most of the reasons for respondents to switch to foreign brand is perceived quality by 47%, this is in line with the study conducted by Nguyen and Huynh (2022) saying that perceived quality is one of the main reasons people are buying foreign brands, and as study conducted by Helly et al., (2022) quality is one of the antecedents why people are buying foreign goods. And the second reason is due to brand power by 25% and this is also mentioned in research conducted by Nurhayat & Ariani (2023) saying that brand is a powerful tool in creating purchase intention, especially foreign brands. The remaining 8% will switch since they have more purchasing power and it has been confirmed by studies conducted by Suyanto et al., (2019) that found urban middle class and above will often favoring foreign brand, and according to Wijayati et al., (2019) the more the income, the more the customer tends to buy foreign or expensive products.

Out of 6% of the respondents say the reason for switching is for their self-reward, whereas self-reward is an activity to satisfy oneself after going through several work processes, completing tasks well and doing several things that he thinks are in accordance with what is expected, this intended activity is in the form of purchasing an item that has long been desired or by visiting a place to refresh yourself after the fatigue of the mind that comes over and over again (Wahyuningsari et al., 2022), 4% out of curiosity this is in line with prior study conducted by Zhang and Zhang (2023) saying that curiosity is one of the reasons people buying foreign product, 2% because of trend, and the rest do not give an explanation.

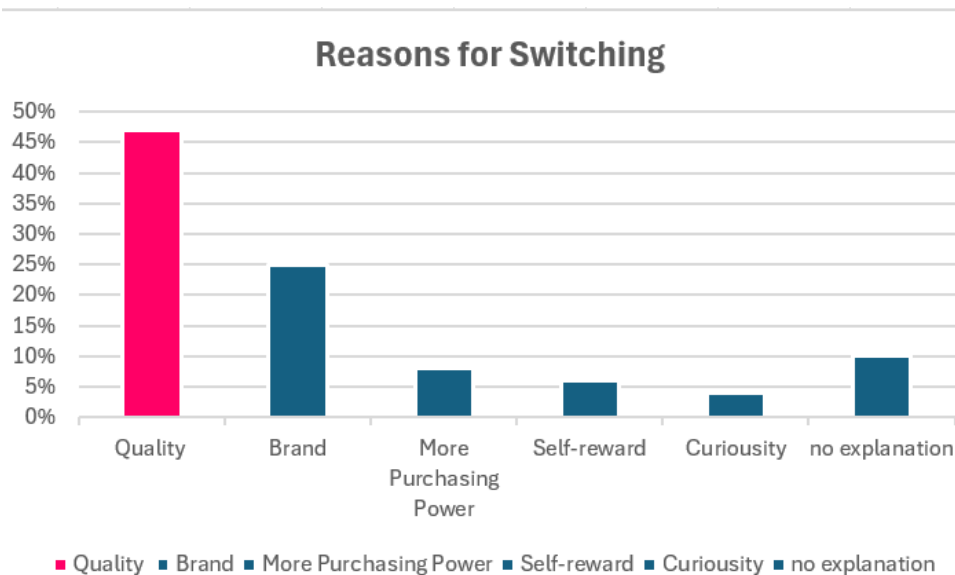
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Figure 2. Reasons for switching from local to foreign brands once having higher purchasing power



5. Conclusion

This study has shown that there is a noticeable shift towards foreign brands once the purchasing power increases, and the two major factors that causing the shifting of purchase intention is the perceived quality and brand power of the foreign brand sneakers. To address this, local sneaker producers should focus on enhancing product quality and building a strong brand image, investing in high quality materials, workmanship and innovative designs that will meet the expectations of Generation Z who will be the future of the market. Additionally, creating a compelling brand story and leveraging social media marketing can enhance brand visibility and appeal. According to a study done by Kim and Chao (2019), "Brand experience, brand image, and brand trust play a crucial role in the brand building process".

By focusing on these elements, local producers can better compete with foreign brands and retain customer loyalty even as purchasing power increases. This research has several limitations, such as there is no delving into more detail demographics, future research may try to see whether there are any differences if the result is compared between gender, status, and educational background.

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