

## **Relationship of Isolation to Luxury Brand Purchase Tendency: Moderating Anxiety and Social Capital Effect From COVID-19**

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### **ABSTRACT**

The aims of this study is to explore the effect of COVID-19, especially the isolation period on luxury brand purchase tendency. The data was collected from 350 respondents by distributing questionnaires of 35 questions or indicators. From eight hypotheses that have been formed, there are 6 supported hypotheses and 2 unsupported hypotheses. The sample for this study involves respondents who are dominated by luxury brand consumers who are in the Jakarta area with the age of 18-25 years old. The insights provided by this study are useful to determine the moderating effect of anxiety and social capital from COVID-19. This study also written to complete previous researches that are still very minimal, especially in terms of discussing the effects of social capital itself. The study contributes to explain the impact by focusing on the purchase of luxury goods by various age group living in Jakarta area. Further, this study also explores some of the hypothesis from previous studies that are related to luxury consumptions and pandemic effect on purchasing tendencies. It enhances the understanding of the impact of COVID-19 on the purchase of luxury goods.

**Keywords** – Luxury goods, bandwagon, pandemic, isolation, social capital, COVID-19 anxiety, Subjective well- being

### **1. INTRODUCTION**

Nowadays, luxury goods are no longer rare or hard-to-find items. On the contrary, the value of luxury goods in retail worldwide currently stands at \$240 billion. According to Global Data “Luxury Apparel Market Size”, the luxury goods market will grow at 24.2% in 2021. Then, it is predicted to increase again by 10% in 2022 (Sukardi, 2022). This number includes luxury product categories such as accessories, leather goods, cosmetics, and wine (alcohol) from French and Italian companies. Investment is an important thing for now for everyone to have their own investment product.

Investment products used can be in the form of gold, savings, land, and there are also some people who use luxury goods as a tool to invest. . (Frizona, 2022). European, US, and Asian companies share the same sales intention in various categories to sell premium products and services. In this case, the global luxury goods market is up to \$1 trillion. We should know that the main drivers of this growth are globalization and the resulting wealth creation, as well as the prosperity that has emerged in market segments and the expansion of international travel.

Consumers who buy luxury goods are no longer limited to the rich elite, but they can be bought by younger, well-paid, modern, and spenders who like to spend money. Luxury attracts consumers for several reasons. Experts argue that the true meaning of a luxury lies in its uniqueness, rarity, and inability to obtain it by the masses. The main attraction seems to be the symbolism that consumers attach to them rather than the completeness of the product itself. In addition, empirical observations on the luxury goods market show that many brands are expanding their access to luxury by selling in bulk.

In this context, companies selling luxury goods try to balance two seemingly incompatible goals: (1) maintain exclusivity or specifically the products they use and feel. (2) increase brand awareness and grow the revenue or market they reach. However, there has been an expansion that has emerged from the extraordinary or phenomenal luxury goods market, the category that has emerged from the particular emerging luxury buying behavior and mass consumption has become prominent. This type of consumption of luxury goods attracts a wide audience, attracted to the word elite or luxury.

As it is known that currently the COVID-19 pandemic has spread and the number of people infected with this disease has reached 20,000,000 people. This caused more than 750,000 people died from this disease. The spread of the virus and the high mortality from COVID-19 have forced countries to take action to prevent, contain, and reduce the spread of this virus. One form of strategy that is widespread and is still being implemented is the use of face masks. However, from this strategy, there are quite controversial issues related to economic restrictions. Economic restrictions refer to the prohibition of employees from working in the office or the so-called Work from Office (WFO). This is done to help prevent the spread of COVID-19 by reducing airborne transmission. During the economic restrictions, some employees can still work from home or Work from Home (WFH), but there are also some offices or companies that close their offices and lay off employees. Therefore, this causes employees to not have and lose their jobs.

The economic restrictions caused large numbers of work hours to be lost and triggered the biggest global recession since the self-isolation period. This loss is quite severe for certain types of work. This happens because employees usually tend to be disadvantaged the most. If employees do not have sufficient future savings, this will make it difficult for employees who still have to support themselves and their families.

In this article, the authors propose that personality plays a key role in shaping attitudes – specifically the interaction of risk-taking tendencies and prosocial tendencies. This proposal is based on two theoretical perspectives. Many behavioral decision-making theories assert that humans are rational factors, in which they form attitudes by weighing the associated risks and benefits e.g. expectancy theory, value theory, belief norms. From the existence of the COVID-19 pandemic, one thing that stands out that characterizes this disease is its wide-scale effect on health. The ability of the COVID-19 virus can attack anyone easily and is very risky for example the elderly, diabetics (Drucker, 2020 Wang et al., 2020). With the opening of the economy by reducing restriction rules, it will make the risk of this COVID-19 disease even higher because it allows people to get this disease again. The link to risk-taking is clear; those who are more willing to take risks are more likely to devalue the likelihood of developing the disease.

Similarly, because the reopening of the economy puts large numbers of people at risk, those with lower prosocial tendencies may be less concerned with the detrimental effect on the well-being of others. Meanwhile, the tendency to care for others can also determine whether that person is okay. Therefore, those with lower prosocial tendencies will accept economic closure. When joined together, those who are more willing to take risks and don't care about others may have very strong attitudes toward economic shutdowns, as these individuals evaluate the risks and possible adverse outcomes of others. In other words, these individuals

are not affected by the possibility of an adverse outcome as well as the adverse outcome itself. For these people, reopening the economy poses very little risk.

From global tourists to local shoppers, many people are attracted to luxury goods. The luxury goods sector is attractive to global consumers: 20 to 30 percent of industry income is generated by consumers purchasing luxury goods outside their home country or abroad. In 2018, Chinese consumer stores more than 150M overseas trips, it is estimated that purchases outside of the country alone. Asian buyers buy luxury goods abroad because they will get lower prices and will get a tax refund if they buy red goods in Singapore, and also because shopping has become an integral part of the travel experience. With the restrictions on overseas travel caused by COVID-19, it has halted the purchase of luxury goods abroad and this is anticipating only a gradual increase in international travel, even after the restrictions are lifted. That said, consumer China remains the biggest growth opportunity for the luxury goods sector. Brands, obviously, will need a new approach to attract luxury buyers. to Asia at home, brands can focus on tailor-made creation of the luxury consumer experience, empowering digital and omnichannel offerings which mean a mix of multiple channels already integrated into one system. This is happening given the limitations in retail infrastructure and customer service capabilities in these cities.

Sales for this year's spring are as much as 70 percent lower than last year's which is not surprising, given that consumers have less opportunity to travel in the spring and summer to enter collections in luxury shopping stores. Then there are the fall and winter 2020 collections. In some cases, an exchange of inventory or stock of goods or stock may be preferable to promotions and discounts. One way to use extra inventory could be to reward loyal customers with gifts or other types of rewards to please customers. For example, the experience that has been experienced by the author himself in shopping at a shopping center with the DIOR brand, this store gives an appreciation in the form of small gifts with more practical packaging given to customers because they have shopped for their products. Meanwhile, another important thing is to regenerate a sense for the desire to shop to buy collection or category products. Increase digital engagement. As stores still exist, but are closed in many parts of the world due to PPKM which requires malls or shopping establishments to temporarily close, e-commerce or websites are important channels for maintaining sales, communicating with customers, and forging a sense of community around a brand. Accelerate digital investment and shift media spending to online channels, focusing on customer activation rather than brand building. In addition to improving your website, consider partnering with a reputable electronics retailer. Digital marketing can not only help increase online sales but also attract consumers to visit the store after there is information about the store reopening.

### **1.1 Research Problem**

COVID-19 pandemic has brought sizeable economic consequences in some countries. To prevent the spread of viral infections, some countries set the rules to enforce lockdown or self-isolation. Because of that, billions of people around the world were quarantined in their homes from a couple weeks to months to practice social distancing. These have brought some psychological impacts like the feeling of isolation, boredom, loneliness, panic problems and mass anxiety. The lockdown has also lead to panic buying, when people hunt to buy all household needs for fear of running out due to quarantine at home. This makes people become

selfish and do not think about others. On the other hand, the pandemic and its economic lockdown have caused consumer demand for some products and services to drop. However, people still have tendencies to hoard some products in other categories. So in this case, we can find out How does the Covid-19 Pandemic affect the purchase of luxury goods?

Globalization creates both opportunities and threats in international business. World economic growth depends on the degree of liberalization, privatization and globalization itself. Different from this economic growth depends on the utilization of natural resources, funds invested, labor, technology used in production and the level of consumption of the people. Global peace and the cooperative approach of various countries resulted in an increase in international trade. The World Health Organization officially declared COVID-19 a pandemic on March 11, 2020. This pandemic is a disease situation that spreads from one person to another that started in China which is located in the WuHan area with symptoms such as cough, fever, and runny nose. This created fear among the people. When the first quarantine was declared, people were in a hurry and the market immediately boomed. Stocks of essential items in stores are easily depleted. So what is the effect of the lockdown (self-isolation) on the purchase of luxury goods?

During the lockdown, a lot of people have lost their jobs, and there is also no income for some people. The lockdown has also brought the feeling of isolation because people are forced to stay at home, regardless of the presence or absence of friends or family. Luxury buying behavior, intention to buy luxury brands, and their effect on subjective well-being can be affected by social capital. From these problems, we can explore how does social capital affect luxury purchases during the COVID-19 pandemic?

## **1.2 Research Objectives**

This research was conducted to answer the questions that arise from section 1.4. In this section, the following research objectives are to be achieved by the researcher:

- a. Knowing the impact of the COVID-19 Pandemic on the purchase of luxury goods
- b. Knowing the lockdown effect on the purchase of luxury goods among people
- c. Knowing the social influence of capital on the purchase of luxury goods during the COVID-19 pandemic

## **1.3 Research Questions**

Based on the background and research problems that have been written, the following research questions are useful to answer this research:

- a. How do people feel about the isolation experienced during the COVID-19 pandemic?
- b. How does isolation impact luxury purchases?
- c. What are the factors influencing the purchase of luxury goods during COVID-19?
- d. How to overcome the impact of panic attacks during the COVID-19 pandemic?
- e. Is buying luxury goods during a pandemic true because of following other people?
- f. What is the relationship between isolation and luxury tendencies?

#### **1.4 Scope of Research**

This research requires a limited scope, it is useful so that the research is carried out in accordance with the objectives and research problems that have been made, the following is the scope of this research:

Prior to collecting data, the anonymity of the respondents was ensured. To remove the impression of coercion, the researcher has also informed the respondents that they could leave the survey at any point. Then the focus of the respondents is Indonesian citizens. All of the data were collected in two steps. At the first step, the researcher need to ensure the content and the item measurement's validity. Only respondents who buy luxury brands are considered regularly. The samples taken were valid and in accordance with the research conducted. The pretest confirms that the respondent understands the survey items. At the second step, the researcher distributed the final survey to a sample of the population, which are consumers who buy a particular luxury brand. Respondents in this study are consumers who use and buy luxury brand goods in the age range of 18 to 35 years old and have an annual income of over Rp. 500,000,000 (that is, five hundred million rupiah) per year.

#### **1.6 Research contributions**

There are theoretical contributions commonly known as general views and useful practical contributions to be able to contribute to the research being carried out. The following is the contribution of this research:

##### **a. Theoretical Contribution**

This research can add insight and knowledge for many people about how the impact of COVID-19 on the purchase of a luxury item, there are various factors that influence it so it is very necessary to have a system that helps this research.

##### **b. Practical Contribution**

###### **• For Writers**

Can learn more about the effects of the pandemic and also the decisions made in various matters, especially in the purchase of luxury goods for the object under study

###### **• For Readers**

Can provide practical information about how the impact and factors of various purchases of luxury goods made by social capitalists.

#### **1.7 Research Outline**

This research has an outline in every chapter studied. In this chapter, we explain the background of the problem and how the literature depicts the purchase of luxury brands in order to focus more on this research, so it is necessary to limit the variables and various other

factors that influence this research. In this case, the researcher focuses this research on the object of research, namely social capitalists who use luxury brands regularly, in this case purchases made by these objects are carried out regularly and continuously during the COVID-19 pandemic. In chapter two provides an explanation of the theory of the related variables. The third chapter discusses research methods and data analysis using SmartPLS4. Fourth, bring up actual data as a result of descriptive research. And the last chapter, will provide conclusions from the research carried out and there are suggestions that serve for future research.

## **2. LITERATURE REVIEW**

This chapter contains the description of the basic literature review in general. In the literature review, there are several relevant theories and can be used as a theoretical framework in the research conducted. The literature review contains “Bandwagon luxury brand consumption behavior”, “COVID-19 anxiety, isolation, intention to purchase luxury brands”, “subjective well-being, social capital”, as well as a review of the literature contained in previous research and the relationship between variables. Then, at the end of the chapter, a research model will be written that can show the relationship between the variables shown from the proposition to be submitted from the relationship related variables.

### **2.1 Brand**

The brand itself has a meaning in the form of a sign, which can be shaped into a logo, image, letter, number, name, word, dimension, sound that is useful for distinguishing goods or services that have been produced and want to be sold by someone in trading activities. (Princess, <https://www.kompas.com/>, 2022). The definition of this mark is already contained in Law Number 20 of 2016 which is in Article 1 paragraph (1). This brand is very important if customers want to distinguish one brand from competing brands. Because what must be known is that the use of this brand will make the product have its own identity and will make the product unique which will create the concept of a brand image to consumers so that it can be remembered in the minds of consumers. Brands can create an atmosphere as well as an experience. For example, the brand of an aquarium tour that is currently booming, namely "Jakarta Aquarium & Safari". Visitors will get the atmosphere and experience of seeing a lot of fish that cannot be seen elsewhere for sure. Therefore, this brand can function as a means of creating experiences for visitors (Fahlevi, 2022). These aspects are economic, social, sports, cultural and also religious. As we know, brands penetrate almost every aspect of life. Because this brand has a tendency to spread, modern society today wants to give a name to the goods it consumes or what is produced in order to create a brand that can be recognized by the wider community. Brands must also be analyzed first and viewed from various perspectives. Brands can be seen from the side of microeconomics, macroeconomics, sociology, anthropology, history, philosophy, and so on. However, recently the concepts of branding and branding have become a subject of debate in the study of marketing disciplines. However, brands have existed since the ancient civilizations of Mesopotamia and Greece. In those days, brands used signs and names to identify or denote the logo they wanted to show. At that time it was also useful to show offerings in the form of wine, pots, metals, and so on. The word "brand" itself is taken from an ancient Norse word which means "to burn" which was useful in ancient times as an

identification mark for livestock owned by farmers to identify and identify their livestock using heated iron. At present, there is a general lack of understanding of the increasing complexity of brands in brand interpretation and management. Therefore, it is very important if we can understand the nature of brands to create, develop and protect brands and business in general.

Society usually reacts to the perceived reality. Although it does not explore reality in depth, its focus is on different interpretations of the same stimulus. Furthermore, he has described the brand as an image that is in the minds of consumers about functional and psychological attributes. There is also another way to define brand image as everything that is associated with a brand is the consumer's idea of a product.

According to (Nurkhalisa, 2022), good brand management or development will ensure that consumers exist and can remember well-made brands. Therefore, the brand must be developed because of its prestigious value. Aspects of the brand must be made with good consistency and coherence. Now it will be discussed and there is a question what is the minimum level of customer contact to be able to understand the brand? And there is also a minimum level of ideas, feelings and attitudes needed to measure as an image and what are the boundaries for the brand itself? The questions that exist can make us provoked to see the boundaries to define a brand as an image in the minds of consumers.

Value is an interesting subject. Same as “core brand values” in literature and academics and commerce. Consumer behavior is a direct action to get, spend, consume a product or service and also a decision process that precedes the action (Putri, <https://www.kompas.com/>, 2022). The main factors that affect consumers:

- Cultural factors consisting of: culture (a collection of basic values, perceptions, behaviors, and desires), sub-culture (a group with a separate value system from experiences and life situations in general), social class (orderly that occurs with members with interests, attitudes, and values).
- Social factors consisting of: groups (two or more people who interact with each other), family (most important in society because there are husbands, wives, and children), roles and status (activities that are expected and carried out according to people around them).
- Personal factors consisting of: age and life cycle stage (their tastes in food, clothing, places of recreation or entertainment), occupation (influences on goods and services of interest), economic situation (product selection), lifestyle (seen from activities carried out both in hobbies, sports, social activities, shopping, and work), personality and self-concept (psychological characteristics that elicit a relatively consistent and long-lasting response to the environment).
- Psychological factors consisting of: motivation (to encourage consumers to choose the goods they need to make it easier to act), perception (motivated to act in certain situations), knowledge (change in behavior based on experience), beliefs and attitudes (through learning and action).

Brand is a producer's value system (Putri, [kompas.com](https://www.kompas.com/), 2021). For example, expensive brands are often owned by high-end consumers. Therefore, producers who have class will only produce expensive products. Brand purchasing decisions can be influenced by consumption values as follows:

- Functional value: the level of use of the product in accordance with the function of the product compared to others.

- Social value: can be seen from how much fun or lack of something to the translation of other people socially.

- Emotional value: expressed through emotional outbursts from within that a person has.

Socio-economic and physical aspects are included in this value. Under this perspective, individual brands are representations of unique value groups. The above is a value system that mainly includes consumption value. It becomes another important component of the value system. In addition, the value system must also be viewed from the perspective of other stakeholders, namely employees, and others.

## **2.2 Luxury Brand**

Luxury brands or commonly called premium brands are brands that are intended to have high prices and quality (Nasrudin, 2022). A company can give the impression of exclusivity to differentiate other brands in the market. Companies must compete to provide good quality and fresh appearance to give a positive impression on consumers who want to buy these luxury goods. With the company providing more quality, it will raise a higher price to set for the company to be more profitable. However, setting a high price means that there will be less demand by consumers. Therefore, a special segment has emerged for consumers who want to buy these luxury goods, for example, consumers who are rich or who have more income.

It can be said, luxury brands have characteristics, namely uniqueness, exclusivity, rarity, quality, premium price. However, not all have the same criteria that have been mentioned and sometimes these criteria are not enough to categorize a brand as a luxury brand designation. By following the dual classification, the expressive and stunning functionality of the luxury brand.

The concept is related to exclusivity which implies with a premium price and scarcity. Brand luxury is considered a rare brand. Previously, scarcity is to the use of valuable the materials that were naturally. Things to watch out for are luxury goods spending that will exceed the set record (due to concerns about China, property prices and policies on Common Prosperity), the price of luxury brand products is more expensive because during the COVID-19 pandemic luxury brand brands increased their product prices, well-known brands take on a larger supply chain (Channel and Prada gain more suppliers as access to the best materials and manufacturers becomes more expensive), the second-hand market will be wider (as they grew to 33 billion euros in the last year), luxury brands will invest more in e-commerce websites (by creating your own website) (Nasrudin, 2022). However, apart from objective scarcity, luxury today must also be subjectively scarce. This is because consumers of luxury brands must believe that brands can be exclusive which means other brands cannot afford them, while consumers belong to a select group who can afford these brands. However, with the idea that consumers who have never bought luxury brand goods will judge the brand to be more luxurious than consumers who use luxury brand products themselves. The luxury brand is very unique, unique because it cannot be found in other brands because each luxury brand has its own concept and characteristics. In this day and age, luxury brands can be reached by many people and more and more products are categorized as luxury brands because there are so many luxury brands competing to attract the attention of consumers. This is very important for marketers to be able to offer the impression to consumers of scarcity because based on the existing scarcity principle. Sometimes, it can also be caused by high prices because luxury products will not be able to lose their character because they still have their own value.



### **2.3 Feeling of Isolation**

Isolation is an activity where regulations are made to separate people who are exposed to the virus and not affected by the COVID-19 virus. This regulation for self-isolation can be carried out at home or at a hotel (where isolation facilities are provided). Isolation is also carried out if someone has confirmed that they have the COVID-19 virus, but there are no symptoms that indicate the spread of the virus. With that, there is an opportunity to recover from this disease with the help and control of medical equipment (Hadiwinata, 2021). Isolation is also carried out so that the community can minimize activities outside the home that have to meet with other people (there are exceptions if the person has an urgent need or has to go to the hospital). Self-isolation does not rule out the possibility that people do not do anything at home. People who do this isolation can still work at home or what is called Work from Home. Feelings of loneliness have been recognized and become the main thing associated with public health and become an increased risk of mental and physical illness, cognitive decline which is a mental activity of an individual to assess, relate, and also consider an event where individuals can gain knowledge (Al-Amin, 2022), suicidal ideation, and all the things that cause death. This loneliness has become known as an epidemic which is when the COVID-19 disease has spread rapidly and affected the population of a country and a region within that country (W., 2021), and there has created so much concern about its impact. occurred during the global coronavirus disease 2019 (COVID-19) pandemic. Lockdowns and 'must stay at home' orders that have been announced internationally have led to physical and social distancing and reports of many individuals experiencing social isolation. Whereas social isolation (absence of social interaction, contact and relationship with others) is conceptually distinguished from loneliness (feeling of someone whose social needs are not met by the quantity or quality of someone who needs social relationships). As a result, there are calls to ascertain how the pandemic has affected loneliness to ensure that individuals at risk receive support. In particular the key question is who is lonely in isolation? On the one hand, individuals who have experienced loneliness may feel more isolated as a result of social distancing measures.

### **2.4 Bandwagon Luxury Brand Consumption Behavior**

Securities which are following activities to buy luxury brands. This kind of effect has been observed and researched which usually occurs mainly in the luxury product market. This effect also indicates a person's tendency to follow the style, behavior, or attitude that other people do and we follow. Part of a large cognitive bias or can be said to be a thinking error which consequently affects the decisions of others. Cognitive bias itself is created to help someone to think quickly, but errors often occur. There are 3 aspects to this phenomenon, namely:

- **Conformity:** the tendency of an individual to change the perception of thoughts, opinions, and behavior to make conformity (Wardana, 2021).
- **Interpersonal Influence:** According to the American Psychological Association, direct pressure is exerted on a group or person by making threats with social approval.

- Status Seeking: The phenomenon of humans caring about what other people think of themselves.

This activity is carried out when someone is not having a job or is relaxing at home, then seeing someone else has an item that makes us interested in this luxury item, then the sense of belonging is definitely high that arises in us. Moreover, we who use gadgets every day to see updates that are rife at this time. This usually occurs due to the term "poison". The word is based on reviews given by influencers or other people who are creating content for their social media (Yakuta, 2022). Currently, the bandwagon effect is bringing people to the direction of consumptive behavior. Some individuals are more focused on the “internal domain” and goals or needs related to themselves or are independent. This literature suggests that self-reliant consumers exhibit a more personal orientation in the way they consume luxuries (focusing on their hedonic, utilitarian, and self-communicating goals), whereas interdependent consumers are more concerned with the social impact of consumption. This includes the social aspect of the mediocre, arrogant effect. Against this background, this study proposes that this effect is driven by independent and interdependent self-concepts (both driven by personal and social behavior) and that a number of relevant traits act as mediators between self-concept and behavioral signals. With the help of the exploratory literature, the researcher can find out that the nature of this effect arises because of the arrogance and the Veblen effect which means the need for uniqueness, arrogance, status seeking, and vulnerability to interpersonal influence. Need for uniqueness is a trait to look for relative differences from others by means of utilization, acquisition, and product disposition of consumers. This NFU is negative when it comes to the Bandwagon effect itself.

## **2.5 COVID-19 Anxiety**

As we all know, the current COVID-19 virus disease is making people all over the world anxious. This is because the COVID-19 pandemic itself is currently presenting physical and economic conditions that have never happened in previous years. A pandemic that is so big as it is now we must share and face this disease and this disease is a challenge for the community to be able to fight together against this virus by complying with the health protocols that have been implemented and made by the government. With this pandemic, so many people are suffering from the uncertainty, the fear of being infected with the virus, the moral stress and sadness that has occurred and all these things happen and arise in our hearts and minds. There is a growing concern about how to cope and the consequences of anxiety as well as with long-term individual and collective impacts. We can call this incident a crisis. Then, from this crisis emerged the opinion of experts who said and recommended that we as a society should be able to set a rhythm in our daily lives, namely staying aware, must love ourselves, be grateful for what is given at this time, be active, connect with other people. others, must be able to find the source of happiness, find inspiration to be able to develop in order to reduce anxiety and encourage yourself, always think positively and move forward, do activities to reduce anxiety according to each other but must comply with the health protocols that have been established. set. As a society that is struggling against this pandemic, we are expected to be able to prepare ourselves to face the worst thing that happens. Learn to be able to set realistic expectations and align goals with the core values that we have set. For example, when a doctor who is working with a patient with cancer is aware of how cancer is a serious disease, it can affect someone

who has been treating it with a certain risk of depression and anxiety. Forms of anxiety there are solutions that can be resolved, namely by getting support or it can also get attention or good behavior, and treatment that is handled by special medical experts. This pandemic can strike at many of the deep-rooted anxieties that are experienced as threats to our identity and place in this world. The virus is spreading rapidly around the world and it is causing a confrontation with ourselves, with who we are as a society, and with our assumptions about where we can ultimately place our own confidence.

## **2.6 Social Capital**

The concept played by a group, community, and organization (Wahid, 2022). Is an aspect of social structure that is useful for creating value and plays a role in facilitating individual actions in a social order. Just as the creation of physical capital involves changes in materials to facilitate production and human capital involves changes in materials for production facilities and human capital it also involves changes in the skills and abilities possessed by individuals. This social capital is created when relationships between people change in ways that facilitate instrumental action. Social network researchers have taken the lead in formalizing and empirically testing the theories involved in the concept of social capital. Social network researchers consider relationships or ties as basic data for conducting analysis. A network can be defined as a pattern of ties that link a group of people or social actors. Everyone can be described in terms of relationships with other people with a network. The person who is the focus of the analysis is usually the person who provides the data or what is commonly referred to as the person who can change and be bound.

The first approach to conceptualizing social capital is based on a theory that focuses on the forces that arise from social bonds and are used in a useful process of finding work. According to Pierre Bourdieu, social capital is useful for all resources that are of two types, namely actual and potential related to ownership in a network of relationships that arise in fixed institutions and based on mutual knowledge and acquaintance (Widagdo, 2021). Then, there is an opinion put forward by Granovetter that bonds between members of social groups tend to be strong which is defined as emotionally intense and involves several types of relationships, such as friendships, advisors, and also colleagues. Information held by each of the click members may also be shared quickly or may already have more information held by other members. However, ties that reach beyond one's social clique tend to be weak which is an emotional attitude and is limited to one narrow type of relationship. Based on these weak ties, it is often a bridge between closely related social cliques that provide a unique source of information. Finding weak ties is easier than finding strong ties to be a source of information for the sample.

## **2.7 Subjective well-being Related to Luxury Brand**

“Subjective well-being” refers to an individual's assessment of how his life situation as a whole is as well as the totality of pleasure and suffering or the quality of life that is considered. Its nature and source have attracted the interest of many social scientists for decades. This is a subjective evaluation that a person has of life in which there are positive affect, negative affect, and life satisfaction. According to (Mangunkerso, 2019) there are several factors that influence this subjective well-being itself:

- Positive self-esteem: which states that self-esteem is a predictor. Having high self-esteem will make a person have good control over anger, and have good relationships with many people.

- Self-control: belief in oneself to behave appropriately and affect emotions, motivation, physical activity and behavior.
- Individual extraversion: Research obtained from Diener states that extravert personality will predict the occurrence of individual well-being. Usually many have many friends.
- Optimistic in general: feels himself happy and satisfied with the life he feels and has which makes him have positive expectations.
- Positive social relations: there are advantages to be gained because it can make individuals feel physically fit and will make individuals grow in self-esteem.
- Having a purpose in life: can help develop one's psychological well-being.

As we know, psychology and economics have developed and tested relevant theories. In the current version of the theory of subjective well-being, the classical positions of telecommunication needs and autotelic activity theory have been combined. However, there is a strong limitation, namely that the tradeoffs between satisfying such diverse needs cannot be considered. In economics, an important contribution to understanding subjective well-being comes from consumer economics and the theory of household production.

### ***2.8 Luxury Brand Purchase Intention***

To get the purchase intention of luxury brands related to the implications of consumer research, this study refers to the theory of consumer culture which says that the study of property is very relevant. Where the central position is that consumers use property to change their identity to fit their projections and be seen from the ideals they want and who they are. In this study, emphasizing how self and the world contribute to the luxury brand they have. Second, the researcher also wanted to examine the intention to acquire a luxury brand rather than actually owning the luxury brand. Then, the researcher also wanted to analyze the direct and moderating effects of arrogance in this process. And, want to see directly by researching outlining the literature on purchase intention and looking at consumer motivation in purchasing. This study focuses on purchase intention rather than behavior because purchase intention has broad implications and willingness to act

### **2.9 Relationship Between Variables**

In this study, it aims to interrelate between existing variables with relevant theories and have been investigated with all existing variables. Some of the variables that have been taken in this study will be combined and of course there is a relationship with existing theories. This study includes research on the purchase of luxury goods during the COVID-19 pandemic. This research was conducted and referred to the same previous research which also discussed the purchase of luxury brands during the COVID-19 pandemic. However, this research will discuss further and will be explored further in order to form useful research to help people who are still confused about the title that fits the meaning of this research itself. This research also does not forget to be supported by concepts that are in accordance with the theory and variables. Also, the data sought is appropriate and relevant for this research.

## ***2.10 Feeling of Isolation and Bandwagon Luxury Consumption Behavior***

Isolation refers to low or no social participation in people or society. Research on consumer behavior shows that people who feel excluded will have the tendency to foster relationships by increasing spending. Being ostracized means isolation because there is no activity outside the home. Research shows that consumers could convey information about themselves to others by using the symbolic nature of consumption. This behavior is suitable when a person wants to create a good impression and increase social interaction with others. To gain a feeling of being part of a group that is perceived as aspirational by others, individuals tend to buy luxury brands. In addition, in an attempt to belong to a group that is considered aspirational in a group, individuals tend to buy products that are mostly used in that group.

There is data already available in reference journals that suggests certain groups are at risk for loneliness including women (from 25 years old) or older (over 65 years old), living alone and having low economic status, and mental and physical health. Early research in Europe has suggested that this group is indeed at risk during isolation and feeling lonely. The social relationship of a person is a human need because humans cannot live alone. Therefore, humans are referred to as "social beings". When humans think that they feel isolated, humans will look for ways to connect with social and follow the desires or desires that are desired in themselves. Indirectly, people will buy products to signify their social status and improve their lifestyle towards luxury by buying luxury brands. Luxury brands purchase are not only driven by utilitarian purposes but also for nonutilitarian purposes or referred to as equal status with aristocrats, such as connectedness, symbolism and prestige (Lima, Carvalho, & al, 2020). Then, a hypothesis is formed:

***H1: Feeling of isolation has a positive effect on Bandwagon luxury consumption behavior.***

## ***2.11 Bandwagon Luxury Consumption Behavior and Subjective well-being Related to Luxury Brand***

In general, individual has the tendency to adopt the same behaviors and attitudes as the group he wants to identify with, such as following what others have. Having a tendency to base living standards on the level of luxury is a process that can cause Bandwagon Luxury consumption behavior to occur. According to (Mayasari, 2022), consumers always want to try new things and social influence. Moreover, people have an aspiration to connect with others by matching their behavior and consumption status (Thapa et al., 2022). Consumers who want to own a luxury brand can also be influenced when they see advertisements while watching Korean drama films that are currently booming. Because nowadays we often see that many product sponsors are advertised on films. Likewise, what has happened in America, that so many people are in debt just for the sake of emphasizing and satisfying the desire to own a luxury brand, this causes them to act irrationally (Wahyudi, 2022). This study wants to know the relationship of “Bandwagon Luxury Consumption Behavior” and “Subjective well-being Related to Luxury Brand” so that the following hypothesis is formed:

***H2: Bandwagon Luxury Consumption Behavior has a positive effect on Subjective well-being***

### ***2.12 Bandwagon Luxury Consumption Behavior and Intention to Purchase Luxury Brand***

Consumers want to buy luxury brands because there is popularity and the effect of following what others have. This happens because in a community there must be people who try to put forward a luxury brand and deify it. Behavior to deify luxury related to Bandwagon because the value of luxury can be created together because of a result of purchasing luxury goods from a group who considers these goods to have their own selling value and will increase in price. Consumers must have the attitude to observe what is consumed by others when the consumer wants it and feels that the item is suitable for him. Especially if the product is a limited edition and popular. In addition, with such thoughts, it will form an attitude of arrogance because some of these consumers feel they are great and high and try to show and enjoy the effects of this luxury. The "Veblen" effect appears, which is an individual approach (not the level of social structure) that focuses on psychological and social mechanisms that drive consumption behavior from a person (Indra Setia Bakti, 2020). This effect is also seen from the way to understand the class motives of people to be judged. Based on research from the findings of the data obtained, the researcher assumes that the bandwagon's bandwagon effect can affect the perception of a person's interest in purchasing luxury brands and the following hypothesis is formed:

***H3: Bandwagon Luxury Consumption Behavior has a positive effect on Intention to Purchase Luxury Brand.***

### ***2.13 Subjective well-being Related to Luxury Brand and Intention to Purchase Luxury Brand***

This study examines the effect of self-concept on the consumption of a product or service. Self-concept represents the totality of an individual's thoughts and feelings that refer to himself as an object. Subjective well-being itself is referred to as a person's emotional reactions and cognitive assessments of satisfaction and fulfillment. Subjective well-being associated with purchasing luxury has an impact on intention to purchase luxury brands. In line with the theory of tend and befriend which is referred to as "keeping and befriending" (Saraswati, 2019), when consumers feel they will get comfort in doing something, they will have a higher intention to do that behavior. Likewise, existing research on technology use shows that subjective well-being when using technology is strongly related to consumers' intention to purchase the technology. However, to the best of the authors' knowledge, no studies have looked at the effect of subjective well-being on luxury brand purchase intentions (Kastanakis & Balabanis, 2012). Various theoretical viewpoints examine self-concept as a single or multiple aspect variable. Some of them conceptualize as individual differences with other individuals in general, the focus depends on the specific theory used. The choice of a particular self-concept paradigm depends on the purpose of the study because various paradigms emphasize different aspects of the self and have their own consequences. Individuals also have a perceived self-image that is related to self-concept and strive to be preserved, improved, changed or expanded by using products that are considered highly relevant. This influence is especially important in the context of luxury consumption. Recent theories have also sparked the distinction between consumers who own luxury brands who are personally

oriented and socially oriented to trace the origins of the orientation to a person's self-concept as independent or interdependent. In particular, some think they tend to focus on internal domains and goals that relate to oneself and one's needs. Thinking of one's self in terms of unique personal traits and attributes and not oppressing others is the most important aspect of this view involving the self-concept as an independent person. The hypothesis is formed as follows:

***H4: Subjective well-being Related to Luxury Brand has a positive effect on Intention to Purchase Luxury Brand***

#### ***2.14 Covid-19 Anxiety and Subjective well-being Related to Luxury Brand, Intention to Purchase Luxury Brand***

One of the moderate conditions that can affect this relationship is anxiety. So from that came the anxiety that occurred during COVID-19. There are several studies from Yildirim and Arslan in 2020 which say that the hope and resilience of individuals has a direct relationship to psychological health and also subjective well-being (Naila Kamaliya, 2021). Individuals must have high levels of depression, anxiety and frustration during this pandemic. This happens because individuals are forced to remain patient in dealing with current situations and conditions. This period is very difficult if you have to stay silent and be limited to activities outside the home. All of the data were collected during the pandemic so that consumers are able to associate their luxury brands purchase tendency with the anxiety that is caused by the pandemic. Because of that, This COVID-19 anxiety is considered a possible moderator. When a consumer feels anxious, they tend to be focused on rapid anxiety-reducing activities. Therefore, the action for adopting a successful resolution tends to be ruled out. The results suggest a negative effect of pre-pandemic social anxiety on current mental health functioning (Adriansyah et al., 2021), especially for participants with higher pre-pandemic functional impairment and greater exposure to COVID-related stressors (Tsoi & Ho, 2021). So that the hypothesis about COVID-19 anxiety can affect subjective well-being as follows:

***H5a: Covid-19 Anxiety moderates the effect on Bandwagon Luxury Consumption behavior on Subjective well-being.***

When anxious feelings arise, individual priorities will turn away from what they can get to what they may not get. As a result, consumers that feel anxious will have tendency to prioritize things that will help them retain what they currently have, over new products that can add to their comfort and experience. The study argues that during the COVID-19 pandemic, people are worried about their health, which in turn creates fear and anxiety in society. Therefore, when anxiety levels are high, people will prioritize their own safety and protection over improving their status. In other words, they prioritize needs over wants. From this it can be seen that the purchase of luxury brands will become a secondary necessity. It can be formed by the following hypothesis:

***H5b: Covid-19 Anxiety moderates the effect on Bandwagon Luxury Consumption Behavior on Intention to Purchase Luxury Brand.***

#### ***2.15 Social Capital and Subjective well-being Related to Luxury Brand, Intention to Purchase Luxury Brand***

Individuals may have high social capital, but still feel low. This happened during the COVID-19 pandemic, especially when the lockdown rules were enforced. During this period, many people feel isolated and alone despite the presence of friends or family. This social capital can also moderate the effect of luxury on subjective well-being and intention to buy luxury brands. In addition, social capital is also related to general agreement about the benefits that people get from their social relationships. This social capital can be divided into two dimensions, namely the dimension of local associations and the dimension of community character (Suandi, 2022). With that, the following hypotheses were obtained:

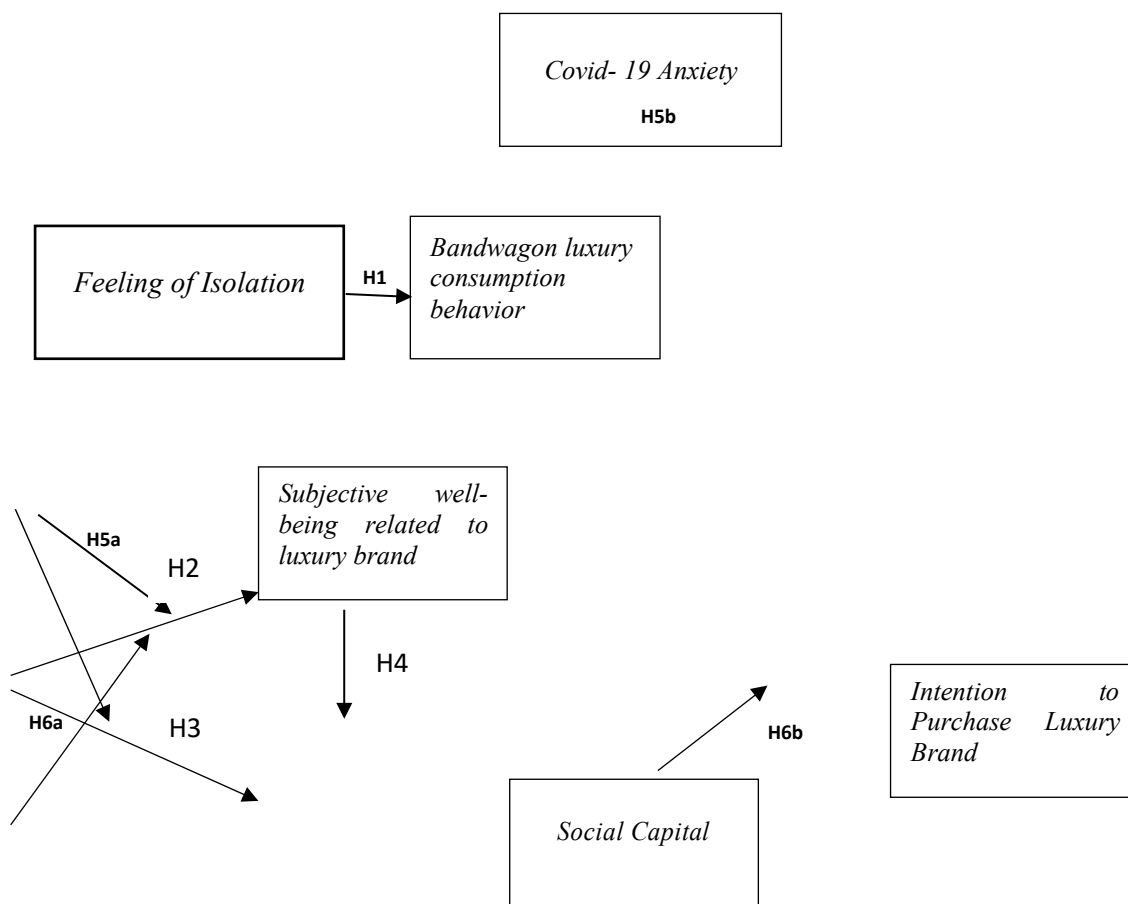
**H6a: Social Capital moderates the effect of Bandwagon Luxury Consumption Behavior on Subjective well-being. Related to Luxury Brand.**

Social capital has several benefits, such as increasing self-esteem and positively influencing well-being and life satisfaction. Various forms of social capital, such as relationships with peers, family, neighbors, are associated with psychological well-being. The impact of following others in luxury brand consumption on subjective well-being may vary between individuals. Sometimes, people buy luxury brands to fulfill an intrinsic need, such as to gain more confidence and increase self-esteem. In this case, the happiness that people derive from their social relationships can be replaced by the happiness of buying a luxury brand. Therefore, from this explanation the following hypothesis is built:

**H6b: Social Capital moderates the effect of Bandwagon Luxury Consumption Behavior on Intention to Purchase Luxury Brand.**

## 2.16 Conceptual Model

Based on the relationships that have been written and discussed by the researchers in this study, the following is a conceptual model that has been developed:





**Figure 2.1 Conceptual Model**

**Source: Replicated from a previous study from the journal (2022)**

**Table 2.2 The scale specification of constructs**

Variable/Construct	Items
Feeling of Isolation (Kastanakis & Balabanis, 2021)	Are you interested on buying luxury brands? Are luxury brands now one of the products that people quite interested in? Will the impact of the pandemic affect luxury brand sales? You are one of the collectors of luxury brands. Are luxury brands no longer being targeted because of the pandemic? Are you interested in buying luxury brands?
Bandwagon Luxury Consumption Behavior (Shaikh et al., 2020)	Do you buy a luxury brand because you follow other people (bandwagon effect)? Do you think that luxury brands can be products to show off? Are luxury brands worth it to buy? Do you buy a luxury brand because you follow the trend? Has a luxury brand become a must-have product because of the bandwagon effects? Can luxury brand products be used as investment products?
COVID- 19 Anxiety (Tsoi & Ho, 2021)	Do you prefer to buy regular brands over luxury brands? Do you think that luxury brands are bought because of anxiety during a pandemic? Do you think that luxury brands are synonymous with rich people? During the COVID-19 pandemic, do you think that luxury brands are not so important items? Do you think that the tendency to follow the development of luxury brands was caused by anxiety during the pandemic? Are you one of the people who sell luxury brands?
Social Capital (Kastanakis & Voyer, 2021)	Do you think that luxury brands have their own value? Do you think that luxury brands have their own value compared to ordinary brands?

Subjective well-being related to Luxury Brand (bae min young., 2022)

Intention to Purchase Luxury Brand (Becker et al., 2020)

- Do you think that the pandemic has resulted in a drastic reduction in the purchase of luxury brand products?
- Do you think that the pandemic is making people more open to luxury brands?
- Do you prefer not to have a luxury brand?
- Do you think that luxury brands can be owned by everyone
- Do you rarely use luxury brands and think luxury brands are less important?
- Do you enjoy products from various types of luxury brands?
- Do you think that luxury brands rarely promote on social media
- Do you think that luxury brands have benefits
- Are the prices and quality of luxury brands acceptable?
- You enjoy luxury brands without using them (just looking around)?
- Do you think that luxury brand are famous with the premium quality?
- Do you like luxury brands because of their quality?
- Do you choose fake goods compared to luxury brands with the same model?
- Are you one of the people waiting for luxury brands with the latest models?
- Do you are happy and agree with the emergence of many new luxury brands?

### 3. RESEARCH METHODOLOGY

This chapter will discuss the research methods used as a solution to the problem studied by the researcher. In this chapter there is a research paradigm, the researcher will examine the problem of differentiating quantitative and qualitative research methods, research design, research object, explanation of the unit of analysis, measured research variables, conceptual and operational definitions, data collection techniques, and data analysis methods along with tools. in conducting the data analysis carried out.

#### 3.1 Research Paradigm

The research method is a scientific technique in which data are combined for specific purposes and uses according to Sugiyono (2016). The paradigm in research is divided into two, namely quantitative research and qualitative research. Where quantitative research is based on numbers while qualitative research is characterized by the translation of sentences. In full, the author will describe in the table below (Sugiyono, 2017). Before conducting research, researchers

need to determine the research method that researchers want to use and the research they want to study (Gunawan, 2021). The paradigm itself is essentially a person's view of something that lives in a person and the influence of that person according to his views on the surrounding reality (Ridha, 2017). The research paradigm is also a reference that becomes the basis for every researcher to use to convey facts through their research activities (Batubara, 2017). Paradigm is used as an analytical tool that is really useful for understanding the level of relationship between teachings and people's behavior (Alfianto, 2019). There are 4 types of research paradigms, namely constructionism, positivism, pragmatism, and realism (Muslim, 2018). Then, the positivist paradigm itself is based on laws and procedures that are made and standard, science is deductive and abstract (Muslim, 2018).

**Table 3.1 Differences in qualitative and quantitative methods**

	<b>Quantitative Methods</b>	<b>Qualitative Methods</b>
<b>Research Focus</b>	The research focus can be seen on the variables by explaining, describing, and predicting the problem	Research focus on a process or event with more focus on understanding and interpreting the problem
<b>Research Objectives</b>	The objective is to explain and test the theory that is formed and built	The objective is to gain a clear and in-depth understanding, and to develop existing theories
<b>Reality Characteristics</b>	The key in research is reliability, classified, measurable, done by observing	The key in research is authenticity, dynamic, there are results of understanding and construction
<b>Research Design</b>	Has a special, detailed, and static nature (has a possibility)	Has a general, dynamic, and flexible nature (does not have the possibility)
<b>Sample Size</b>	Random Sampling	Purposive Sampling
<b>The relationship and involvement between the researcher and the researched</b>	Researchers do not take sides need to be controlled to prevent bias	Researchers take sides, researchers are participants and catalysts
<b>Data collection</b>	Unstructured	Measurable
<b>Elements of Analysis</b>	Words, objects and pictures	Numeric in the form of data
<b>Results</b>	Initial understanding is developed	Final action recommended and spread

**Source:** (Muslim, 2018)

This study uses a positivism paradigm that views the social reality of human being, the nature of science, and the objectives of the social research conducted (Yuhertiana, 2008). This positivism paradigm describes the conditions that occur in life and is useful for simplifying all social phenomena and statistical assistance is needed as a basis for concluding the data obtained from the results of questionnaires in research. This paradigm can be used to state the truth so

that the results are valid. In this case, the right tool or instrument must be used in data collection techniques (Irwan, 2018). Therefore, the research was conducted using a questionnaire distributed to respondents to obtain results objectively and to support the course of this research.

### **3.2 Quantitative Research**

Hamidi (2007) explains that quantitative research is research that prioritizes variable measurement using (numeric) calculations or statistical tests (Maulana, 2019). In the quantitative method, the paradigm applied is the positivism paradigm, where this research activity is carried out with experimental tests or surveys that are objectivity, reliability, and validity (Malik & Nugroho, 2016). Some views often explain that the quantitative approach is a method used to determine the population or what is known as a sample, which then the sample refers to a particular sample. In addition, data was collected by using instruments, including research instruments. Associative relationship is another method used in this study based on the formulation of the research problem. The purpose of research using this quantitative approach is as a way that can be used in testing hypotheses by doing statistical calculations. Several studies using the casual relationship method are often applied, because with this method the influence between the variables being researched will be obtained, so that when researching, a statistical depiction of the variables that have been determined and of course the independent variables will be obtained which is then the dependent variable (MS, 2016). The research was conducted by random sampling and data collection was attempted using measurable research tools to test hypotheses (Maulana, 2019). Quantitative research methods that follow the positivist paradigm include the belief that experience is objective and can be measured by visible symptoms (Hasim, 2020). This research was conducted quantitatively because it can provide a more detailed explanation of the facts studied (Wahyuni, 2020) and is centered on the problems that occur as a result of searching using search variables.

### **3.3 Research Design**

Research design is a design or model used by researchers in conducting a study that provides direction for the course of research, starting from the initial stage, namely introduction, problem identification, framework of thought, hypotheses to conclusions and suggestions. The following are the steps in the research.

Seen from Figure 3.1, the exploration used depends on the issues that have been described behind the scenes and then given clarification or problem definition, and problem plans. The definition and problem plan in this study is associated with examination factors, especially “feeling of isolation”, “COVID-19 anxiety”, “subjective well-being related to luxury brands”, “intention to purchase luxury brands” and “social capital”. Fundamental hypotheses are used as a kind of perspective material to find answers to the problem definitions that have been set, giving rise to speculation. These impermanent responses are then tested directly for correctness by deciding on an example from a pre-determined society. Experts provide polls to obtain information which is then tested in the process of checking information. The consequences of examining information will create goals and ideas that answer every speculation that has been put forward (Creswell, 2002).

### 3.4 Research Object

The object of research is the core that becomes a concern in a study because the object of research is the target for which the research is carried out. In this study, the object of research is interest in buying luxury brands. The object of research defined by (Cahyana, 2018) is a description of the scientific purpose to be interpreted to obtain objective information for certain data and benefits. Meanwhile, according to Sugiyono (2017) in his research (Nurani, 2017) explains that the object of research is a scientific goal to collect data for special purposes and use it in an objective, original, and trustworthy way. In addition, the object of research can also be interpreted as a trait or character of a person, subject or activity with various changes determined by the researcher to be studied and after that conclusions are drawn. (Englan, 2020).

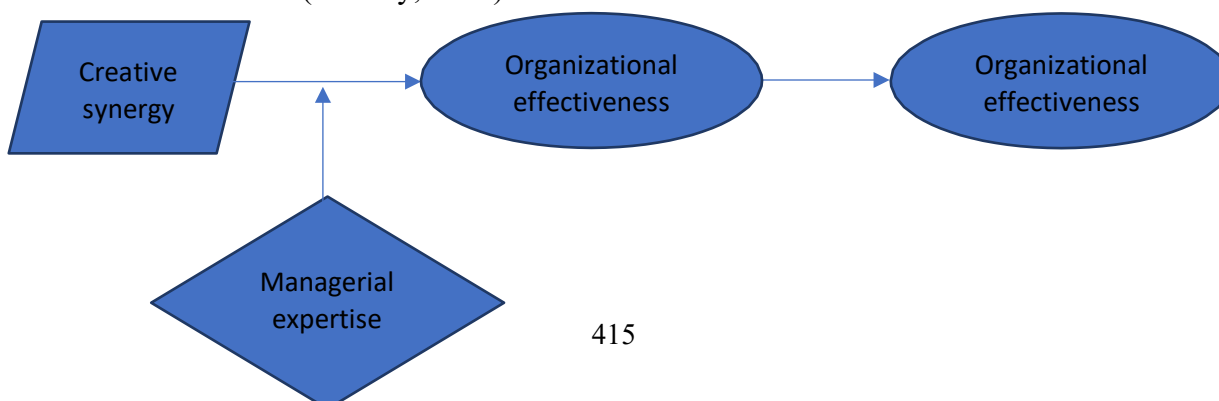
### 3.5 Units of Analysis

The unit of analysis is a component which relates to the case being studied, both with respect to a person or a group. Therefore, it can be concluded that the unit of analysis is the subject to be studied in a study. Therefore, the unit of analysis in this study is the community who survived the Covid-19 pandemic (Kasiram, 2010). After knowing the subject and object of research to be studied, then after that the researcher can find out the unit of analysis in the study. According to Sugiyono (2016) in proprietary research (Umami, 2018) defines the unit of analysis as the part being researched, which can be in the form of individuals, groups, objects or backgrounds of social cases such as personal or group activities as research subjects.

### 3.6 Variable Gauges

Variables are defined by Sugiyono (2017) in his research (Hermawan, 2018) that variables are all forms determined by researchers that need to be studied in order to obtain information about them and then draw conclusions. Meanwhile, according to (Korry, 2017) variables are different properties or objects. The variables themselves are divided into four types, as follows:

- Dependent variables are often expressed as output variables, criteria, and results. The dependent variable is the result of the variable that is affected by the independent variable. (Pratama, 2019).
- The independent variable is a variable that influences change, results in turnover, and produces the dependent variable (Goleman et al., 2019).
- Moderating variable is a habituation variable that strengthens or weakens the relationship between one of the dependent variables and the independent variable (Fahmi, 2019).
- Intervening variables or intermediary variables are theoretically variables that indirectly create a bond between the independent variable and the dependent variable, and cannot be reviewed or measured (Bilkisty, 2017)



Independent variable

Mediating variable

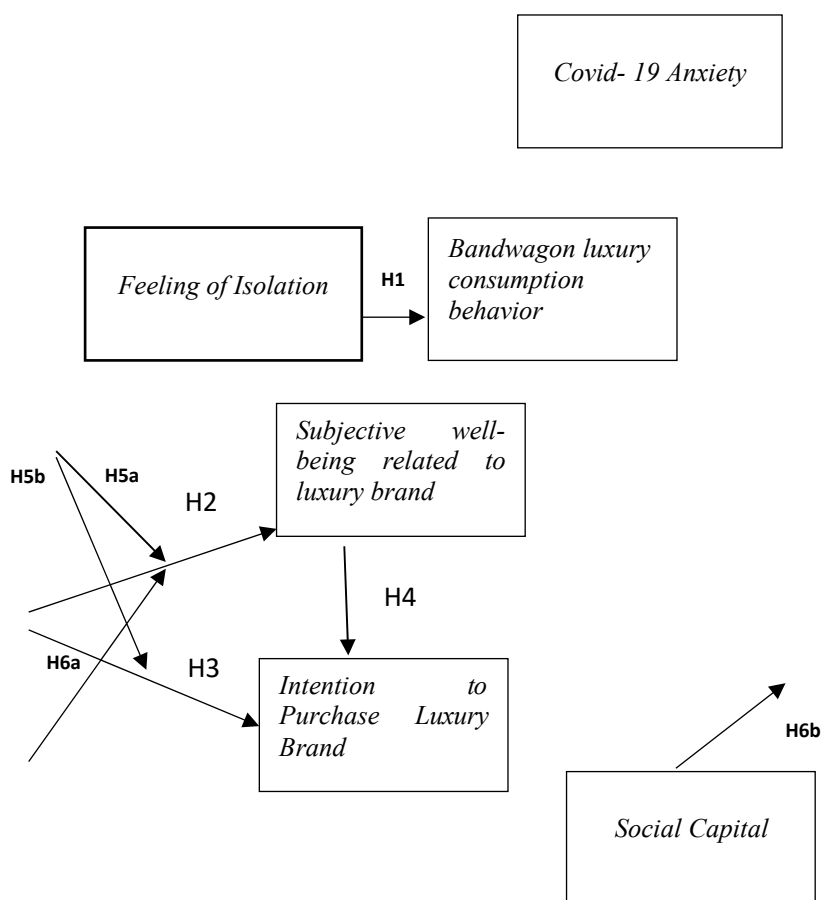
Dependent variable

Moderating variable

**Figure 3.2 Relationship Diagram between Variables**

Source: : (Sekaran & Bougie, 2016d) p. 80

This study uses 6 variables to be measured, namely “feeling of isolation”, “COVID-19 anxiety”, “bandwagon luxury consumption behavior”, “social capital”, “subjective well-being related to luxury brands”, and “intention to purchase luxury brands”. The following is the conceptual model in Figure 3.2 as follows:



**Figure 3.3 Conceptual Model**

**Source: Replicated from a previous study from the journal (2022)**

### 3.7 Conceptual and Operational Definitions

According to Singarimbun and Sofian (2008) in proprietary research (Abarca, 2021), the meaning of conceptual is a concept that is used to facilitate researchers in using it directly. Meanwhile, the operational definition itself is defined by (Priadi, Martha Purnama, 2018) as the structure or feature being studied so that it becomes a measurable variable. There are several research variables in the operational definition. The independent variable is a variable that affects the occurrence of changes in other variables. The independent variable of this research is customer satisfaction and the dependent variable is the variable whose existence is influenced or an effect, because of the independent variable. The following are the indicators used in the study. Furthermore, below is the conceptual and operational definition of this research.

**Table 3.3 Conceptual Definitions and Operational Definitions**

Variable	Conceptual Definition	Operational Concept	Scale	Source
“Feeling of Isolation”	Bandwagon in terms of using luxury brands is something that is socially directed. Types of individual behavior that originate from the self that are interdependent and reinforced by status use, vulnerability to normative pressure, and creativity.	6 Indicators: 1. Are you interested in buying a luxury brand? 2. Are luxury brands now one of the most popular products? 3. Has the impact of the pandemic affected sales of luxury brands? 4. You are a collector of luxury brands 5. Are luxury brands no longer being targeted due to the pandemic 6. I am interested in buying a luxury brand	Likert Scale (1-5)	(Kastanakis & Balabanis, 2021)
“Bandwagon Luxury Consumption Behavior”	Bandwagon luxury consumption behaviour is significantly influenced by the personality characteristics of each individual. Furthermore, the results of the	6 Indicators: 1. Do you buy luxury brands because you follow others?	Likert Scale (1-5)	(Shaikh et al., 2020)

	<p>study also show that the relationship between bandwagon luxury consumption behavior and the interdependent/independent orientation of individuals is partially/fully mediated by themselves.</p>	<p>2. Luxury brands can be products to show off</p> <p>3. Is a luxury brand worth it to buy</p> <p>4. You buy luxury brands because you follow the trend</p> <p>5. Are luxury brands a must-have product because of the effects of joining in?</p> <p>6. Can luxury brand products be used as investment products</p>		
“COVID-19 Anxiety”	<p>Individuals who feel socially anxious may affiliate more often than expected by interacting selectively with those with whom they feel closest and most comfortable, thereby reducing perceptions of social threat by turning to closer and more intimate relationships.</p>	<p>6 Indicators:</p> <p>1. I prefer to buy regular brands compared to luxury brands</p> <p>2. Luxury brands are bought because of anxiety during a pandemic</p> <p>3. Luxury brands are identical to the rich</p> <p>4. During the COVID-19 pandemic, luxury brands were not that important</p> <p>5. You follow the development of luxury brands because there is anxiety during a pandemic</p> <p>6. You are one of those people who sell luxury brands</p>	Likert Scale (1-5)	(Tsoi & Ho, 2021)
“Social Capital”	<p>Mediated by the level of consumers who tend to seek status, susceptibility to the influence of Bandwagon and the</p>	<p>6 Indicators:</p>	Likert Scale (1-5)	(Kastanakis & Voyer, 2021)



	<p>need for uniqueness. The study concludes that this psychological construct explains well the Bandwagon luxury consumption behavior and can be used as an input in the development of marketing strategies.</p>	<ol style="list-style-type: none"> <li>1. Luxury brands have their own values</li> <li>2. Luxury brands have their own value compared to ordinary brands</li> <li>3. The pandemic has caused a drastic reduction in purchases of luxury brand products</li> <li>4. The pandemic has made people more open to luxury brands</li> <li>5. You prefer not to own luxury brands</li> <li>6. Luxury brands can be owned by everyone</li> </ol>		
<p>“Subjective well-being related to Luxury Brand”</p>	<p>The materialistic consumer's preference between inconspicuous and flashy luxury brand products depends on a distinctive self-concept mechanism. More specifically, materialistic consumers with independent self-construal prefer inconspicuous luxury brands because of a high need for uniqueness, whereas non-materialistic consumers with interdependent self-construal prefer flashy luxury products because of high self-monitoring.</p>	<p>6 Indicators:</p> <ol style="list-style-type: none"> <li>1. You rarely use luxury brands and consider luxury brands to be less important</li> <li>2. You enjoy products from various types of luxury brands</li> <li>3. Luxury brands rarely promote on social media</li> <li>4. Luxury brands have benefits</li> <li>5. Is the price and quality of the luxury brand acceptable</li> <li>6. You enjoy luxury brands without using them (just looking around)</li> </ol>	<p>Likert Scale (1-5)</p>	<p>(bae min young, 2022)</p>

“Intention to Purchase Luxury Brand”	Materialistic consumers not only engage more in luxury brand consumption than less materialistic consumers, but also benefit more from it (at least in the short term). Consequently, consumption of luxury brands may be more beneficial to the former than to the latter. As a result, materialists will stick to their lifestyle, regardless of the long-term disastrous consequences to themselves and society.	5 Indicators: 1. Famous luxury brands with premium quality 2. You like luxury brands because of their quality 3. You choose fake products compared to luxury brands with the same model 4. You are one of those people who are waiting for a luxury brand with the latest model 5. You are happy and agree with the emergence of many new luxury brands	Likert Scale (1-5)	(Becker et al., 2020)
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### 3.8 Scale Measurement

Measurement is defined as collecting data that has been obtained in the form of numbers. Scale is defined as a way of distinguishing individuals about how they view research variables (Sekaran & Bougie, 2016b). According to Sugiyono (2013) in his research (Romanti, 2019) that different measurement scales can be in the form of: nominal scale, ordinal scale, interval scale and scale scale, from the scale obtained from nominal, ordinal, interval and scale data. In a proprietary study (Janna, 2020) it is said that the measurement scale is divided into four, which are as follows:

- Nominal Scale is the simplest or lowest measurement in the survey. This scale is only used to provide categories.
- Ordinal scale is a measure of rank between levels. The distance between levels does not have to be the same.
- Interval scale is a metric that can be used to substitute levels between levels. The distance between the levels is clearly visible and the absolute value does not have 0 (zero).
- Ratio Scale is a measure to measure clear, frequent, discrete, and comparable results. The ratio scale is the highest and most complete scale compared to other scales.

**Table 3.3 Scale Measurement**

Variable	Scale
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eling of isolation”	Ordinal
andwagon luxury consumption behavior”	Ordinal
bjective well-being related to luxury brand”	Ordinal
COVID-19 anxiety”	Ordinal
cial Capital”	Ordinal
tention to Purchase Luxury Brand”	Ordinal

In this study using an interval scale measurement using a Likert scale. The data collection technique used is using a questionnaire. Questionnaires are data collection techniques that are carried out by giving written statements or statements to respondents (Sugiyono, 2019: p.199). There are 5 points 1 to 5, namely 1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, 5 = Strongly Agree.

**Table 3.4 Likert Scale**

	<b>Strongly Disagree</b>	<b>Disagree</b>	<b>Neutral</b>	<b>Agree</b>	<b>Strongly Agree</b>
<b>Poin</b>	1	2	3	4	5

### 3.9 Data Collection Method

In this quantitative study, the researcher used the procedure for collecting data in the form of a survey. Survey research is defined as research that includes a large number of samples and collects data using questionnaires (Islamy, 2019). Data collection techniques used in this study are as follows:

#### 1. Questionnaire

In the Kamus Besar Bahasa Indonesia (KBBI), a poll is a review or examination tool consisting of a set of questions arranged to get reactions from selected groups through private meetings or by mail. According to Uma Sekaran and Roger Bougie (2017) a survey is a pre-planned list of questions in which respondents will record their responses, generally in other clearly defined options (Sekaran & Bougie, 2017).

#### 2. Literature Study

Literature Study is the use of books and the concentration of writing related to this exploration. Literature study is a strategy of gathering information by directing the investigation of surveys of books, writings, notes, and reports that have to do with the problem at hand.

In this study, the type of questionnaire that will be used is an electronic and online questionnaire. The researchers will distribute the questionnaire online as a link to Google Forms on different platforms, which of course will be easily disseminated to the public to respond in a cost-effective manner and to obtain relevant results.

### **3.10 Ethics in Data Collection**

Ethics in data collection research is an important issue in research, considering that nursing research is directly related to people, the moral part of exploration must be considered. After knowing the data collection method to be used, the researcher will understand the ethics of data collection (Sekaran & Bougie, 2016a). Moral issues that must be considered include the following (Umar, 2012):

- Informed consent: information must be kept confidential, especially identity and this is the responsibility of the researcher and must be approved by the respondent.
- Anonymity: a completely confidential identity must be maintained and anonymity can be provided so that respondents feel comfortable about filling out the questionnaire and this is not allowed to be coerced from both parties, both the researcher and the respondent.
- Researchers are required to send invitations for participation in filling out the required questionnaires both on social media and non-social media.
- Non maleficence: researchers are not allowed to force respondents to want to fill out a survey made by the researcher.
- Justice (fairness): there should be no coercion and researchers must be able to respect and respect the decisions of respondents because this includes justice that is owned by each individual.
- Veracity (honesty): honesty must be possessed by the attitude of respondents who fill out every question in a survey that is conducted honestly to support the smooth running of filling out this survey and must be based on true and true experience.
- Protect all submitted information and respect respondent's privacy. The researcher must clearly explain the subject and purpose of the survey to the respondents.
- Researchers are also asked not to include information that makes respondents upset and disappointed.
- When collecting data, the honor of the subject must be maintained. There should not be any coercion from the respondent when filling out the questionnaire.

### **3.11 Sample Design**

The sample is part of a population that is expected to be able to represent the population in a study. The sample itself is part of the number and characteristics possessed by the population. The sampling technique used is random sampling (Siregar, 2013).

Population is defined by (Sugiyono & Priyatno, 2016) as a generalized aspect that includes objects or subjects with the number and special characters determined by the researcher being studied so that conclusions can be drawn. While the sample is defined by (Wijaya, 2017) as a part of the number of characteristics possessed by the population. In the book *Research Methods for Business* (Sekaran & Bougie, 2016c) the sample design is divided into two types, namely probability sampling and non-probability sampling.

This study uses a non-probability sampling technique which allows for the selection of an unknown population and can lead to bias, but this technique can help and fulfill the objectives of the sampling carried out, and can allow for affordable costs and limited time. This happened because the researcher chose a design with a reliable sampling plan. Then, the determination of the sample is based on the results of the researchers themselves who conducted this study.

### **3.12 Sample Size**

Based on the sample size ratio, the larger the sample size, the better the score. The pretest confirms that the respondent understands the survey items. According to Hajar (1996) in research by (Alwi, 2012) says that statistically, it is said that the larger the sample size, the better the expected performance. For large samples, the mean and standard deviation obtained can be equal to the population mean and standard deviation. In fact, sample size is related to statistical hypothesis testing. A larger sample is preferred, but a smaller random sample can accurately reflect the population. As stated by Gay, Mills, and Airasian (2009) in their research (Alwi, 2012) shows that for descriptive research, the minimum population is 10% in the population, at least 20% in a relatively small population. However, correlation research requires a sample of 30 respondents.

This study has 35 indicators consisting of 6 indicators of “feeling of isolation”, 6 indicators of “Bandwagon luxury consumption behavior”, 6 indicators of “Covid-19 anxiety”, 6 indicators of “Social capital”, 6 indicators of “Subjective well-being related to luxury brands”, and 5 indicators of “Intention to purchase luxury brands”. The criteria for respondents in this research are consumers who use luxury brands and the impact of this statistic. Then, the respondents in this study were 10 times the number of indicators, which means  $35 \text{ indicators} \times 10 = 350$  respondents were needed to conduct this research (Alwi, 2012).

### **3.13 Methods in Data Analysis**

Data analysis in quantitative research is an activity carried out to obtain results from all respondents or from all sources that have been collected. The analysis was carried out based on the collection of data grouping according to the type and variable of the respondent, which presented data from the variables that had been studied, calculations were carried out to answer questions, and performed calculations to test existing hypotheses before this research was conducted. Methods in data analysis are divided into two, namely descriptive and inferential statistics.

#### **Descriptive statistics**

Descriptive statistical analysis data is defined in research by (Sugiyono, 2016) that this analysis technique is data analysis by explaining data that was collected accidentally with the intention of drawing the right conclusions for the public. Descriptive statistical analysis is a data analysis technique to interpret data in general by calculating the maximum and minimum values, mean, and standard deviation (Saptutyingsih dan Setyaningrum, 2019). In research by (Ngafwa,

2018) descriptive statistical analysis is statistics used to analyze data by describing the data collected. The questions in the book (Sekaran & Bougie, 2016d) on page 294 say that examples of descriptive questions that can help answer questions are:

- Are workers satisfied with their work?
- What is the employee's perception of job enrichment?
- How many workers feel the saturation level?
- Are there differences in the extent to which employees view relationships with the company as fair?
- What is the relationship between perceived equality, burnout, job enrichment, job satisfaction, and intention to resign?

The above questions can help researchers to make the right decisions through the answers to be answered and this has an impact on solving the problem to be solved. Measurements made by descriptive statistics themselves are in the form of range, standard deviation, variance, and interquartile range (Suprayogi, 2012).

### **Inferential Statistics**

Inferential statistical analysis data defined by Sugiyono (2014) in research by (Trid, 2018) are statistics used to analyze information from samples and the results are exponential to the population from which the sample is obtained. Inferential statistics is a branch of statistical science that studies the interpretation of various conclusions about a population based on samples taken from a population (Yuliani M.Pd. & Hartano MM, 2019). Inferential statistics can also be said as inductive statistics or probability statistics that are useful for generating sample data whose results are useful for clear populations and random sampling techniques and can help to test hypotheses because this research can help researchers to draw conclusions regarding the population from the sample that has been collected (Sugiyono, 2017).

### **3.14 Goodness of the Data**

Goodness of the Data refers to measurement and testing in research that aims to test the feasibility of data derived from the validity and reliability of research data obtained by researchers. In the book *Research Methods for Business* by (Sekaran & Bougie, 2016c), the validity and reliability of the summed data are also used by researchers to show and ensure that the measurements applied in research can develop well.

#### **Validity**

Validity is defined by Sugiyono (2016) in research by (Abdullah, 2018) as the level of clarity between the data obtained by the object and the data combined by the researcher to obtain item validity by correlating the item value with the item number. Authenticity testing is also carried out to measure the validity of the data obtained after the survey using a measuring instrument in the form of a questionnaire (Sesaria, 2020). Validity itself has three types according to (Hendryadi, 2017) namely content validity, criterion validity, and construct validity.

As explained in research by (Nurfitri, 2018a) that content validity is a kind of influence that is calculated by testing the contents of the measuring instrument with a reasonable analysis, namely the extent to which the elements of the measuring instrument cover all parts of the content measured by the measuring instrument. Criterion validity itself is used when metrics are distinguished in terms of the criteria needed to predict what determines the validity of the prediction and competitors. The validity of these criteria also reflects the fact that the trials carried out are related to the criteria for future results (Suryadi, 2016). Meanwhile, the construct validity test of the results obtained uses measurements with existing theories. Construct validity is achieved by correlating the value of each item in the statement with the sum of the scores of all items.

### **Reliability**

According to (Mariadi, 2017) reliability is the extent to which measurements using similar objects will produce similar data. In addition, according to (Nurfitri, 2018b) is the size of the questionnaire which is an indicator of a variable or construct. In the journal (Rahardjo, 2019) reliability can be observed from Cronbach's Alpha value and calculated using the SPSS (Statistical Package For Social Science) program. If the result is above 0.70 then it can be declared reliable or valid. In the journal (Nurdianawati, 2021) states that if the alpha is 0.70-0.90 then the reliability is high.

## **3.14 SEM**

Structural equation modeling (SEM) or structural equation modeling is a quantitative research technique used to describe the bonds that occur in several variables and show if there is an influence between them. The reason for using SEM in research is because SEM is a method of measuring variables that researchers have observed to see if there are errors in these variables so that accurate results are obtained (Yuniarti, 2016).

Several computer programs, namely LISREL, AMOS, EQS, and Mplus can be used in the application of the SEM method. In this study, researchers used SEM in the moment structure analysis program, or AMOS ver. 24 and the IBM SPSS 26 program. In the journal written by (Rahardja, 2016) there are 7 steps in analyzing structural equations (SEM), namely:

#### **- Development of Theoretical Models**

The first step is to develop a model with a strong theoretical justification. This structural equation model is based on causation, where transformations in one variable share assumptions for changes in another.

#### **- Compiling a PathDiagram**

In the second step, the theoretical form is interpreted in the form of a flow chart. This path diagram gives the researcher an idea for the relationship that occurs between extrinsic and intrinsic variables.

#### **- Compiling Structural Equations**

After the theoretical model is developed and explained in the third step in the form of a path diagram, the next step is modification and placement in the form of a structural equation. When the structural equation between the latent structure relates the intrinsic and extrinsic variables. Next, the researcher developed a measurement model that connected the latent structure of both intrinsic and extrinsic variables with indicator variables (manifest). In this case also shows the relationship between configurations.

- Selecting the Input Matrix and Estimate Model

In SEM, there are other technical differences in multivariate analysis. That is, SEM only uses the input data of the variance or covariance matrix or the model estimation correlation matrix.

- Assess structural model identification

In estimating a model, they often face several problems in identifying structural models which can be seen from the estimation results, for example a high correlation, which is  $> 0.90$ .

- Assessing the criteria for Goodness- of Fit

The next step before testing the feasibility of the structural model is that the data processed by the researcher is a clear standard from a large number of samples, the data distribution is normal, the model must be valid, and the spaces meet the SEM assumptions.

- Model interpretation and modification

The final step in structural equation modeling (SEM) after the model is accepted is the researcher's interpretation of the model. If the research model does not meet the criteria of conformity, the researcher needs to modify it, so the researcher must consider the research model with a number of supporting considerations.

### **3.15 Partial Least Square (PLS)**

Partial least squares (PLS) analysis is a useful technique to provide an overview of a situation that emphasizes numbers. The use of Smart PLS is highly recommended when you want to process data, but there is a limited number of samples and the model you want to build is complex (Basuki, 2022). The development of SmartPLS was developed by Herman Wold in his journal in 1975 which is said to be able to create many models, both dependent and independent. Then, it can withstand error or missing data, and PLS itself can help independent variables directly based on cross products that use response variables and make stronger predictions compared to other techniques. The disadvantage of PLS itself is that it is difficult to describe the independent latent variables, there is no basis for general factor analysis on covariance among independents. The following notes are needed and must be considered in SmartPLS:

1. Outer loading  $\geq 0.70$ , maintain reflective indicator (p.114)
2. Outer loading  $\geq 0.40$  but  $< 0.70$  should be considered for removal from the scale only when removing the indicator causes an increase in composite reliability (variance extracted mean, AVE  $> 0.50$ ) above the recommended threshold value (p 113)
3. Composite Reliability: Cronbach's alpha is sensitive to the number of items on the scale and generally tends to underestimate the reliability of internal consistency (p. 111)



4. Limitations Cronbach's alpha is technically more appropriate to apply a different internal consistency reliability measure referred to as composite reliability (p. 111)
5. Discriminant validity: The degree to which a construct is completely different from another construct based on empirical standards (p. 115)
6. Establishing discriminant validity implies that a construct is unique and captures phenomena that are not represented by other constructs in the model (glm 115)
7. Fornell-Larcker criteria: a second approach to assessing discriminant validity
8. The Fornell-Larcker: compares the square root of the AVE value with the correlation of the latent variables. The square root of the AVE of each construct must be greater than its highest correlation with the other constructs (p. 116)
9. The Loic of the Fornell-Larcker method: based on the idea that a construct shares more variance with related indicators than any other construct. (p. 116)

### 3.16 Preliminary Test

Before the questionnaire is distributed to a predetermined sample, researchers need to conduct a preliminary test that is useful to find out how big the level of validity and reliability on the variables and instruments used in the study. In this study, the validity and reliability tests needed in this preliminary test were carried out by distributing questionnaires to 120 respondents because the number of indicators in this study was 35 which included many so the researchers decided to use 120 respondents for the pre-test, with the results obtained as follows .

#### Validity Pre-Test Result

Researchers distributed questionnaires to 120 respondents which were useful for testing convergent and discriminant validity before distributing questionnaires to the actual size of respondents or it could be said that the actual data were 350 respondents. The following are the results obtained in the Preliminary test.

#### Convergent Validity

In this convergent validity, there are two things that must be analyzed, namely, Loading Factor and Average Variance Extracted (AVE). Loading Factor that must meet the requirements is  $> 0.70$  and AVE has a requirement of  $> 0.50$  so that the results obtained are valid.

### Loading Factor

**Table 3.5 Loading Factor Preliminary Test (Feeling of Isolation)**

<i>Convergent Validity</i>	<b>Variable</b>	<b>Loading Factor</b>	<b>Rule of Thumb</b>	<b>Evaluation Model</b>

	FI1	0.809	>0.70	Valid
	FI2	0.763		Valid
	FI3	0.803		Valid
	FI4	0.830		Valid
	FI5	0.710		Valid
	FI6	0.797		Valid

**Source: Processed Data of 120 Respondents for Pre-Test Data Analysis (2022)**

If seen from table 3.5 above, all results from Loading Factor are declared valid and meet the requirements  $> 0.70$ . So the conclusion is that the six indicators of the Feeling of Isolation variable are valid.

**Table 3.6 Loading Factor Preliminary Test (Bandwagon Luxury Consumption Behavior)**

	Variable	Loading Factor	Rule of Thumb	Evaluation Model
<i>Convergent Validity</i>	BL1	0.809	>0.70	Valid
	BL2	0.758		Valid
	BL3	0.744		Valid
	BL4	0.853		Valid
	BL5	0.813		Valid
	BL6	0.745		Valid

**Source: Processed Data of 120 Respondents for Pre-Test Data Analysis (2022)**

When viewed from the table above 3.6, all results from Loading Factor are declared valid and meet the requirements  $> 0.70$ . So the conclusion is that the six indicators of the Bandwagon Luxury Consumption Behavior variable are valid.

**Table 3.7 Loading Factor Preliminary Test (Covid-19 Anxiety)**

	Variable	Loading Factor	Rule of Thumb	Evaluation Model
<b>Convergent Validity</b>	CA1	0.751	>0.70	Valid
	CA2	0.854		Valid
	CA3	0.791		Valid
	CA4	0.735		Valid
	CA5	0.862		Valid
	CA6	0.885		Valid

**Source: Processed Data of 120 Respondents for Pre-Test Data Analysis (2022)**

When viewed from the table above 3.7, all results from Loading Factor are declared valid and meet the requirements  $> 0.70$ . So the conclusion is that the six indicators of the Covid-19 Anxiety variable are valid.

**Table 3.8 Loading Factor Preliminary Test (Social Capital)**

	Variable	Loading Factor	Rule of Thumb	Evaluation Model
<b>Convergent Validity</b>	SC1	0.736	>0.70	Valid
	SC2	0.757		Valid
	SC3	0.763		Valid
	SC4	0.788		Valid
	SC5	0.773		Valid
	SC6	0.756		Valid

**Source: Processed Data of 120 Respondents for Pre-Test Data Analysis (2022)**

When viewed from the table above 3.8, all results from Loading Factor are declared valid and meet the requirements  $> 0.70$ . So the conclusion is that the six indicators of the Social Capital variable are valid.

**Table 3.9 Loading Factor Preliminary Test (Subjective well-being related to Luxury Brand)**

	Variable	Loading Factor	Rule of Thumb	Evaluation Model
<i>Convergent Validity</i>	SW1	0.824	$>0.70$	Valid
	SW2	0.840		Valid
	SW3	0.786		Valid
	SW4	0.852		Valid
	SW5	0.712		Valid
	SW6	0.733		Valid

**Source: Processed Data of 120 Respondents for Pre-Test Data Analysis (2022)**

When viewed from the table above 3.9, all results from Loading Factor are declared valid and meet the requirements  $> 0.70$ . So the conclusion is that the six indicators of the Subjective well-being variable related to Luxury Brand are valid.

**Table 3.10 Loading Factor Preliminary Test (Intention to purchase Luxury Brand)**

	Variable	Loading Factor	Rule of Thumb	Evaluation Model
<i>Convergent Validity</i>	IP1	0.834	$>0.70$	Valid
	IP2	0.812		Valid
	IP3	0.737		Valid
	IP4	0.829		Valid
	IP5	0.858		Valid

**Source: Processed Data of 120 Respondents for Pre-Test Data Analysis (2022)**

When viewed from the table above 3.10, all results from Loading Factor are declared valid and meet the requirements  $> 0.70$ . So the conclusion is that the five indicators of the Intention to purchase Luxury Brand variable are valid.

**Average Variance Extracted (AVE)**  
**Table 3.11 AVE for Preliminary Test**

	Variable	AVE	Rule of Thumb	Evaluation Model
<b>Convergent Validity</b>	FI	0.824	$>0.50$	Valid
	BL	0.840		Valid
	CA	0.786		Valid
	SC	0.852		Valid
	SW	0.712		Valid
	IP	0.733		Valid

**Source: Processed Data of 120 Respondents for Pre-Test Data Analysis (2022)**

Notes:

- FI : “Feeling of isolation”
- BL : “Bandwagon Luxury Consumption Behavior”
- CA : “Covid-19 Anxiety”
- SC : “Social Capital”
- SW : “Subjective well-being. Related to Luxury Brand”
- IP : “Intention to Purchase Luxury Brand”

Table 3.11 shows that all the results from the AVE are valid, so there is no need to delete the data and can proceed to the discriminant validity analysis stage.

**Pre-Test Discriminant Validity**

Discriminant validity can be established when two concepts are not correlated with each other (Sekaran & Bougie, 2016d) (p. 292). Discriminant validity also has a condition which is the rule of thumb of 0.70. The results of the pretest data analysis by taking 120 respondents are as follows:

**Table 3.12 Cross Loading Preliminary Test (Feeling of Isolation)**

	Variable	Cross Loading	Rule of Thumb	Evaluation Model
<b><i>Discriminant Validity</i></b>	FI1	0.809	>0.70	Valid
	FI2	0.763		Valid
	FI3	0.803		Valid
	FI4	0.830		Valid
	FI5	0.710		Valid
	FI6	0.797		Valid

**Source: Processed Data of 120 Respondents for Pre-Test Data Analysis (2022)**

When viewed from the table above 3.12, all results from crossloading are declared valid and meet the requirements  $> 0.70$ . So the conclusion is that the six indicators of the “Feeling of Isolation” variable are valid.

**Table 3.13 Cross Loading Preliminary Test (Bandwagon Luxury Consumption Behavior)**

	Variable	Cross Loading	Rule of Thumb	Evaluation Model
<b><i>Discriminant Validity</i></b>	BL1	0.809	>0.70	Valid
	BL2	0.763		Valid
	BL3	0.803		Valid
	BL4	0.830		Valid
	BL5	0.710		Valid
	BL6	0.797		Valid

**Source: Processed Data of 120 Respondents for Pre-Test Data Analysis (2022)**

When viewed from the table above 3.13, all results from cross loading are declared valid and meet the requirements  $> 0.70$ . So the conclusion is that the six indicators of the “Bandwagon Luxury Consumption Behavior” variable are valid.

**Table 3.14 Cross Loading Preliminary Test (Covid-19 Anxiety)**

	Variable	Cross Loading	Rule of Thumb	Evaluation Model
<b><i>Discriminant Validity</i></b>	CA1	0.809	$>0.70$	Valid
	CA2	0.763		Valid
	CA3	0.803		Valid
	CA4	0.830		Valid
	CA5	0.710		Valid
	CA6	0.797		Valid

**Source: Processed Data of 120 Respondents for Pre-Test Data Analysis (2022)**

When viewed from the table above 3.14, all results from cross loading are declared valid and meet the requirements  $> 0.70$ . So the conclusion is that the six indicators of the “Covid-19 Anxiety” variable are valid.

**Table 3.15 Cross Loading Preliminary Test (Social Capital)**

	Variable	Cross Loading	Rule of Thumb	Evaluation Model
<b><i>Discriminant Validity</i></b>	SC1	0.809	$>0.70$	Valid
	SC2	0.763		Valid
	SC3	0.803		Valid
	SC4	0.830		Valid

	SC5	0.710		Valid
	SC6	0.797		Valid

**Source: Processed Data of 120 Respondents for Pre-Test Data Analysis (2022)**

When viewed from the table above 3.15, all results from cross loading are declared valid and meet the requirements  $> 0.70$ . So the conclusion is that the six indicators of the Social Capital variable are valid.

**Table 3.16 Cross Loading Preliminary Test (Subjective well-being related to Luxury Brand)**

	Variable	Cross Loading	Rule of Thumb	Evaluation Model
<b><i>Discriminant Validity</i></b>	SW1	0.809	$>0.70$	Valid
	SW2	0.763		Valid
	SW3	0.803		Valid
	SW4	0.830		Valid
	SW5	0.710		Valid
	SW6	0.797		Valid

**Source: Processed Data of 120 Respondents for Pre-Test Data Analysis (2022)**

When viewed from the table above 3.16, all results from cross loading are declared valid and meet the requirements  $> 0.70$ . So the conclusion is that the six indicators of the “Subjective well-being variable related to Luxury Brand” are valid.

**Table 3.17 Loading Factor Preliminary Test (Intention to purchase Luxury Brand)**

<b><i>Discriminant Validity</i></b>	Variable	Cross Loading	Rule of Thumb	Evaluation Model



	IP1	0.834	>0.70	Valid
	IP2	0.812		Valid
	IP3	0.737		Valid
	IP4	0.829		Valid
	IP5	0.858		Valid

**Source: Processed Data of 120 Respondents for Pre-Test Data Analysis (2022)**

When viewed from the table above 3.17, all results from cross loading are declared valid and meet the requirements  $> 0.70$ . So the conclusion is that the five indicators of the “Intention to purchase Luxury Brand” variable are valid. Of all the variables which amount to 6 and 35 indicators, all are declared valid. Therefore, researchers do not need to delete data and can proceed to the pre-test reliability analysis stage.

### Reliability Pre-Test Result

To see how consistent the pre-test data that the researchers have collected, it is necessary to analyze Cronbach's Alpha and Composite Reliability to check whether each instrument in this measurement is consistent or deviated. At this stage, the researcher collected 120 respondents using a questionnaire. The following table data can be seen below from the six variables to see the value of Cronbach's Alpha

**Table 3.18 Cronbach's Alpha  $>0.70$  for Preliminary Test**

Variable	Cronbach's Reliability	Rule of Thumb	Evaluation Model
Feeling of Isolation	0.878	>0.70	Reliable
Bandwagon Luxury Consumption Behavior	0.898		Reliable
Covid- 19 Anxiety	0.876		Reliable
Social Capital	0.876		Reliable

Subjective well- being related to Luxury Brand	0.857		Reliable
Intention to Purchase Luxury Brand	0.881		Reliable

**Source: Processed Data of 120 Respondents for Pre-Test Data Analysis (2022)**

In table 3.18 above, it can be seen that all the variables in the research that has been done, it can be seen that the value of Cronbach's Reliability has shown that the results are all reliable because all the values have met the requirements and got the sixth value above 0.70. It can be concluded that all variables are declared reliable.

**Table 3.19 Composite Reliability >0.70 for Preliminary Test**

Variable	Composite Reliability	Rule of Thumb	Evaluation Model
“Feeling of Isolation”	0.884	>0.70	Reliable
“Bandwagon Luxury Consumption Behavior”	0.909		Reliable
“Covid- 19 Anxiety”	0.877		Reliable
“Social Capital”	0.900		Reliable
“Subjective well- being related to Luxury Brand”	0.866		Reliable
“Intention to Purchase Luxury Brand”	0.884		Reliable

**Source: Processed Data of 120 Respondents for Pre-Test Data Analysis (2022)**

On table 3.19 above, from all the variables in the research that has been done, it can be seen that the value of Composite Reliability has shown that the results are all reliable because all the values have met the requirements and got the sixth value above 0.70. It can be concluded that all variables are declared reliable. Therefore, the results of this pretest can be continued to the stage of collecting 350 respondents for actual data processing.

The results of the Pre-Test that has been done can be concluded by collecting 120 respondents by distributing questionnaires of 35 questions or indicators. Respondents are dominated by luxury brand consumers who live in the Jakarta area with the age of 18-25 years old. The pretest data of 120 respondents was then processed and tested to see the validity and reliability. In this

test all data are said to be valid and reliable. For processing convergent validity, two tests were carried out, namely loading factor and AVE. Meanwhile, reliability is seen by two tests from Cronbach's Alpha and Composite Reliability. Then, all of these indicators will be used for testing the actual data of 350 respondents with the stipulated provisions, namely, 10 x the number of indicators. For researcher, all indicators in this study are very important, and from that researcher can find out the results to be studied from the 35 indicators that have been formed. Because the data is valid and reliable, the researchers did not eliminate data on each indicator.

#### **4. ANALYSIS AND DISCUSSION**

In this chapter, the researcher will explain the data that has been collected regarding the details of the respondents who have participated in this study such as gender, age, and domicile. Then, there is also an explanation of the results of the actual tests that have been processed using the SmartPLS 4 software to find out the results of the research obtained and will be explained further.

##### **4.1 Respondent Profile**

In this study, 350 respondents who have participated in this study, the results of which were collected through the Google Form and distributed through social media (Instagram, Whatsapp, Line). With the current COVID-19 pandemic and making it impossible for researchers to meet directly with many people, questionnaires were distributed using social media. This response rate was high because the questionnaire was distributed through social media and was widespread. For an explanation of the profiles of respondents who have participated in filling out this questionnaire, it will be explained as follows:

##### **Gender**

In this study, there were 350 participating respondents consisting of 237 male respondents and 114 female respondents. The differences are quite far between men and women, with the percentage of each participant in this study as follows:

**Table 4.1 Gender Percentage**

<b>Category</b>		<b>Number of Respondents</b>	<b>Percentage</b>
<b>Gender</b>	Female	114	32.5%
	Male	236	67.5%
<b>Total</b>		<b>350</b>	<b>100%</b>

**Source: Data Analysis from Actual Test (2022)**

**Age**

Based on research obtained from 350 respondents, researchers have divided into several age categories to see the effect of the pandemic on luxury brand purchases, which can be seen in the table below:

**Table 4.2 Age Percentage**

Category		Number of Respondents	Percentage
Age	18 – 25 years old	291	83.2%
	26 – 33 years old	38	10.8%
	34 – 41 years old	14	4%
	42 – 50 years old	7	2%
<b>Total</b>		<b>350</b>	<b>100%</b>

**Source: Data Analysis from Actual Test (2022)**

The age of respondents who bought luxury brands in this study was dominated by consumers aged 18-25 years old whose percentage reached 83.2%. This shows that this luxury brand can be obtained and owned by youth aged 18-25 years. The next age group is consumers aged 26-33 years old, with a total of 38 respondents. Furthermore, there is a consumer age group of 34-41 years old which is only 4% and the lowest is the consumer age group of 42-50 years old with only 7 respondents. The largest users of luxury brands are among the ages of 18-25 years old because researchers distribute this questionnaire more to friends who are the same age as the researchers. Then, the researcher also involved parents to participate in this data collection and only 7 respondents were collected.

**Domicile**

Domicile is the residential address of each resident with the city of origin of the person residing and already on their respective resident cards. In this study, researchers managed to collect respondents who were predominantly from Jakarta, Bogor, Depok, Tangerang, Bekasi, and outside Jabodetabek. Researchers hope that luxury brand consumers are not only in the capital, but also outside Jabodetabek. This is so that all respondents from different regions can help fill out research on the impact of the pandemic on purchasing luxury brands.

**Tabel 4.3 Domicille Percentage**

Category	Descriptions	Number of Respondents	Percentage
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<b>Domicille</b>	Jakarta	257	73.5%
	Bogor	18	5.1%
	Depok	4	1.1%
	Tangerang	29	8.3%
	Bekasi	3	0.9%
	Outside JABODETABEK	39	11.1%
<b>Total</b>		<b>350</b>	<b>100%</b>

**Source: Data Analysis from Actual Test (2022)**

## 4.2 Actual Test

After analyzing the results of the pretest which were distributed to 121 respondents, then data processing will be carried out on the actual results that the researchers obtained from 350 respondents. In this test, the researcher uses inferential statistics that are used to test hypotheses, measurement models through the Outer Model to test validity and reliability. In the results of this actual study, researchers in data processing will use the SmartPLS4 software.

### Descriptive statistics

Descriptive statistics provide a reflection or description of observable data from the mean, standard deviation, largest value, smallest value, calculation, range, kurtosis, and skewness (tendency to spread) (Ghozali, 2018). It was emphasized again by (Yuliani M.Pd. & Hartano MM, 2019) that descriptive statistics are statistics whose work level includes methods of collecting, compiling, organizing, processing, presenting, and analyzing numerical data, and sharing an organized, concise, real reflection of symptom, event, or situation.

This data also has a Likert scale of 1-5 which is used for minimum and maximum data. Here, as shown in table 4.4 which shows the results of descriptive statistics, number one means 'strongly disagree' and number five means 'strongly agree'. The following is the data that has been collected through the respondents:

**Table 4.4 Descriptive Statistics**

<b>Nama</b>	<b>Mean</b>	<b>Median</b>	<b>Skala min</b>	<b>Skala max</b>	<b>Observed min</b>	<b>Observed max</b>	<b>Standard deviation</b>
<b>FI1</b>	4.20	4	1	5	1	5	0.799
<b>FI2</b>	4.27	4	1	5	1	5	0.822
<b>FI3</b>	4.20	4	1	5	1	5	0.792
<b>FI4</b>	4.31	4	1	5	1	5	0.824

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<b>F15</b>	4.26	4	1	5	1	5	0.823
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<b>FI6</b>	4.20	4	1	5	1	5	0.836
<b>BL1</b>	4.27	4	1	5	1	5	0.851
<b>BL2</b>	4.09	4	1	5	1	5	0.842
<b>BL3</b>	4.11	4	1	5	1	5	0.833
<b>BL4</b>	4.18	4	1	5	1	5	0.801
<b>BL5</b>	4.19	4	1	5	1	5	0.771
<b>BL6</b>	4.23	4	1	5	1	5	0.846
<b>CA1</b>	3.78	4	1	5	1	5	1.053
<b>CA2</b>	3.74	4	1	5	1	5	1.066
<b>CA3</b>	3.91	4	1	5	1	5	1.108
<b>CA4</b>	3.72	4	1	5	1	5	1.120
<b>CA5</b>	3.91	4	1	5	1	5	1.075
<b>CA6</b>	3.84	4	1	5	1	5	1.067
<b>SC1</b>	3.69	4	1	5	1	5	1.096
<b>SC2</b>	3.51	4	1	5	1	5	1.084
<b>SC3</b>	3.51	4	1	5	1	5	1.115
<b>SC4</b>	3.59	4	1	5	1	5	1.073
<b>SC5</b>	3.65	4	1	5	1	5	1.100
<b>SC6</b>	3.61	4	1	5	1	5	1.070
<b>SW1</b>	4.27	4	1	5	1	5	0.742
<b>SW2</b>	4.02	4	1	5	1	5	0.752
<b>SW3</b>	4.10	4	1	5	1	5	0.908
<b>SW4</b>	4.22	4	1	5	1	5	0.805
<b>SW5</b>	4.17	4	1	5	1	5	0.784
<b>SW6</b>	4.22	4	1	5	1	5	0.764
<b>IP1</b>	4.31	4	1	5	1	5	0.842
<b>IP2</b>	4.30	4	1	5	1	5	0.780
<b>IP3</b>	4.18	4	1	5	1	5	0.779
<b>IP4</b>	4.41	5	1	5	1	5	0.783
<b>IP5</b>	4.18	4	1	5	1	5	0.867

**Source: SmartPLS4 data processing results from 350 respondents (2022)**

**“Feeling of Isolation”**

Table 4.5 can be concluded that there are six indicators that are owned by the “Feeling of Isolation” variable, namely, FI1, FI2, FI3, FI4, FI5, and FI6. Each indicator below has a different average value such as, FI1 has a mean value of 4.20, FI2 has a mean value of 4.27, FI3 has a mean value of 4.20, FI4 has a mean value of 4.31, FI5 has a mean value of 4.26, and FI6 has the mean value is 4.20. Then, the value of FI4 has the highest mean value, which is 4.31 which means "You are a collector of luxury brands" meaning that everyone who fills out this questionnaire is the owner of a luxury brand.

**Table 4.5 Descriptive Statistics of Feeling of Isolation Variables**

Indicators	Mean	Min	Max	SD	Category
FI1	4.20	1	5	0.799	High
FI2	4.27	1	5	0.822	Very High
FI3	4.20	1	5	0.792	High
FI4	4.31	1	5	0.824	Very High
FI5	4.26	1	5	0.823	Very High
FI6	4.20	1	5	0.836	High

**Source: Data Processing Results (2022)**

**“Bandwagon Luxury Consumption Behavior”**

Table 4.6 can be concluded that there are six indicators owned by the “Bandwagon Luxury Consumption Behavior” variable, namely, BL1, BL2, BL3, BL4, BL5, BL6. Each indicator below has a different average value such as, BL1 has a mean value of 4.27, BL2 has a mean value of 4.09, BL3 has a mean value of 4.11, BL4 has a mean value of 4.18, BL5 has a mean value of 4.19, and BL6 has the mean value is 4.23. Then, the value of BL1 has the highest mean value, which is 4.27 which means "Do you buy a luxury brand because you follow other people" means that everyone filling out this questionnaire buys a luxury brand because they are interested in seeing other people buying luxury brands. Judging from all indicators, it can be concluded that there is a high average value. Then, this question is a negative question, so most respondents answered a value of 4 which means "disagree". Negative questions have been adjusted into the questionnaire so that researchers no longer need to reverse the data processing.

**Table 4.6 Descriptive Statistics of Bandwagon Luxury Consumption Behavior Variables**

Indicators	Mean	Min	Max	SD	Category
BL1	4.27	1	5	0.851	Very High



<b>BL2</b>	4.09	1	5	0.842	High
<b>BL3</b>	4.11	1	5	0.833	High
<b>BL4</b>	4.18	1	5	0.801	High
<b>BL5</b>	4.19	1	5	0.771	High
<b>BL6</b>	4.23	1	5	0.846	Very High

**Source: Data Processing Results (2022)**

### “Covid-19 Anxiety”

From table 4.7, can be concluded that there are six indicators that are owned by the “Covid-19 Anxiety” variable, namely, CA1, CA2, CA3, CA4, CA5, and CA6. The total mean of each indicator is 3.82 which means it is included in the high category. The highest mean value is CA3 and CA5 of 3.91 which have the same mean value and the lowest is CA4 of 3.72. Then, the highest standard deviation value is CA4 at 1,120 and the lowest is CA1 at 1,053. With a distance that is not too far away, the answers from each respondent are all almost the same or similar when viewed from each indicator.

**Table 4.7 Descriptive Statistics of COVID-19 Anxiety Variables**

<b>Indicators</b>	<b>Mean</b>	<b>Min</b>	<b>Max</b>	<b>SD</b>	<b>Category</b>
<b>CA1</b>	3.78	1	5	1.053	High
<b>CA2</b>	3.74	1	5	1.066	High
<b>CA3</b>	3.91	1	5	1.108	High
<b>CA4</b>	3.72	1	5	1.120	High
<b>CA5</b>	3.91	1	5	1.075	High
<b>CA6</b>	3.84	1	5	1.067	High

**Source: Data Processing Results (2022)**

### “Social Capital”

Table 4.8 can be concluded that there are six indicators that are owned by the “Social Capital” variable, namely, SC1, SC2, SC3, SC4, SC5, and SC6. The total mean of each indicator is 3.59 which means it is included in the high category. The highest mean value is SC1 of 3.69 and the lowest is SC2 and SC3 of 3.51. Then, the highest standard deviation value is SC3 of 1.115 and the lowest is SC6 of 1.070. With a distance that is not too far away, the answers from each respondent are all almost the same or similar when viewed from each indicator.

**Table 4.8 Descriptive Statistics of Social Capital Variables**

<b>Indicators</b>	<b>Mean</b>	<b>Min</b>	<b>Max</b>	<b>SD</b>	<b>Category</b>
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<b>SC1</b>	3.69	1	5	1.096	High
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SC2	3.51	1	5	1.084	High
SC3	3.51	1	5	1.115	High
SC4	3.59	1	5	1.073	High
SC5	3.65	1	5	1.100	High
SC6	3.61	1	5	1.070	High

Source: Data Processing Results (2022)

### “Subjective well-being related to Luxury Brand”

Table 4.9 can be concluded that there are six indicators owned by the “Subjective well-being variable related to Luxury Brand”, namely, SW1, SW2, SW3, SW4, SW5, and SW6. The total mean of each indicator is 4.16 which means it is included in the high category. The highest mean value is SW1 of 4.27 and the lowest is SW2 of 4.02. Then, the highest standard deviation value is SW3 of 0.908 and the lowest is SW1 of 0.742. With a fairly far distance because it reaches a difference of 0.166, the answers from each respondent are almost different when viewed from each indicator.

Table 4.9 Descriptive Statistics Variable Subjective well-being related to Luxury Brand

Indicators	Mean	Min	Max	SD	Category
SW1	4.27	1	5	0.742	Very High
SW2	4.02	1	5	0.752	High
SW3	4.10	1	5	0.908	High
SW4	4.22	1	5	0.805	Very High
SW5	4.17	1	5	0.784	High
SW6	4.22	1	5	0.764	Very High

Source: Data Processing Results (2022)

### “Intention to Purchase Luxury Brand”

Table 4.10 can be concluded that there are five indicators owned by the “Intention to Purchase Luxury Brand” variable, namely, IP1, IP2, IP3, IP4, and IP5. Each indicator below has a different average value such as, IP1 has a mean value of 4.31, IP2 has a mean value of 4.30, IP3 has a mean value of 4.18, IP4 has a mean value of 4.41, IP5 has a mean value of 4.18. Then, the value of IP4 has the highest mean value, which is 4.41 which means "You are one of the people waiting for a luxury brand with the latest model" meaning that everyone filling out this questionnaire is a luxury brand user waiting for the latest model or new arrivals.

Table 4.10 Descriptive Statistics of Intention to Purchase Luxury Brand Variables

Indicators	Mean	Min	Max	SD	Category
IP1	4.31	1	5	0.842	Very High
IP2	4.30	1	5	0.780	Very High
IP3	4.18	1	5	0.779	High
IP4	4.41	1	5	0.783	Very High
IP5	4.18	1	5	0.867	High

Source: Data Processing Results (2022)

### Inferential Statistics

Inferential statistics are statistics that share rules or procedures that can be used as a tool to draw general conclusions from the combined and processed data (Yuliani M.Pd. & Hartano MM, 2019). It is also said by Sugiyono (2014) in his research (Trid, 2018) that inferential statistics are statistics used to analyze sample data, and the results are generalized (differentiated) to the population where the sample is obtained. In this study, statistical inference helps the researcher to decipher the emerging importance between the independent and dependent variables. Thus, researchers can find out the interest between the variables studied in this study. In addition, researchers can also share conclusions from the entire population obtained from samples that meet the criteria in this study.

### Convergent Validity- Actual Test

Convergent validity consists of two research tools or variables that can have a relationship if there are results that may match the data processing. Factor analysis can be used to allow confirmation of convergent validity. There are two types of factor analysis, namely EFA (Exploratory Factor Analysis) and CFA (Confirmative Factor Analysis). In this study, researchers can use CFA to test the relevance of each variable. The minimum value for each factor load is 0.50 or ideally more than 0.70 (Santos, 2017). This research was conducted by distributing questionnaires to 350 respondents because the number of indicators was 35 times 10 = 350 respondents. The following table 4.11 will give the results of processing data that has been processed.

Table 4.11 Actual Outer Loading Test Results

Constructs	Indicators	Outer Loading	Rule of Thumb	Evaluation
<i>Feeling of Isolation (FI)</i>	FI1	0.782	>0.4	Valid
	FI2	0.788		Valid
	FI3	0.786		Valid
	FI4	0.822		Valid

	FI5	0.763		Valid
	FI6	0.731		Valid
<b>Bandwagon Consumption Behavior (BL)</b>	BL1	0.772		Valid
	BL2	0.767		Valid
	BL3	0.780		Valid
	BL4	0.799		Valid
	BL5	0.798		Valid
	BL6	0.734		Valid
<b>Covid- 19 Anxiety (CA)</b>	CA1	0.791		Valid
	CA2	0.852		Valid
	CA3	0.721		Valid
	CA4	0.893		Valid
	CA5	0.884		Valid
	CA6	0.877		Valid
<b>Social Capital (SC)</b>	SC1	0.834		Valid
	SC2	0.746		Valid
	SC3	0.812		Valid
	SC4	0.843		Valid
	SC5	0.917		Valid
	SC6	0.796		Valid
<b>Subjective well- being related to Luxury Brand (SW)</b>	SW1	0.753		Valid
	SW2	0.718		Valid
	SW3	0.750		Valid
	SW4	0.765		Valid
	SW5	0.804		Valid
	SW6	0.797		Valid
<b>Intention to Purchase Luxury Brand (IP)</b>	IP1	0.800		Valid
	IP2	0.867		Valid
	IP3	0.811		Valid
	IP4	0.815		Valid
	IP5	0.755		Valid

**Source: Data Processing Results (2022)**

From the results of the research that has been done, the outer loading is obtained as big as shown in the table above. Each indicator has a valid result because it is above 0.4 which is the rule of thumb. From the results above, it is stated that all indicators can be used and validity tests can be carried out.

**Table 4.12 Actual AVE Test Results**

Constructs	AVE	Rule of Thumb	Evaluation
“Feeling of Isolation”	0.607	>0.5	Valid
“Bandwagon Luxury Consumption Behavior”	0.601		Valid
“Covid- 19 Anxiety”	0.703		Valid
“Social Capital”	0.683		Valid
“Subjective well- being related to Luxury Brand”	0.585		Valid
“Intention to Purchase Luxury Brand”	0.657		Valid

**Source: Data Processing Results (2022)**

In the table above, it is a convergent validity test seen from the AVE and the conditions are > 0.5. From the results shown in table 4.12 above, the AVE values of the six variables have met the predetermined rule of thumb requirements of > 0.5 and the results indicate that all of them are valid. Therefore, there is no need for data to be deleted because all data is valid. Based on the writings of (Sun et al., 2018) that if there is invalid data or below 0.5, then the data must be deleted and must be recalculated because it will interfere with the results of composite reliability.

**Discriminant Validity- Actual Test**

Discriminant validity in this study uses a value judgment. According to (Henseler et al., 2015) When Fornell-Larckel does not have a good approach when testing discriminant validity, it will continue with the HTMT assessment because it is a correlation ratio between traits and correlations in traits.

**Table 4.13 Fornell-Larcker Discriminant Validity Test Results**

	BL	CA	FI	IP	SC	SW
BL	0.775					

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<b>CA</b>	0.049	<b>0.839</b>				
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<b>FI</b>	0.727	-0.004	<b>0.779</b>			
<b>IP</b>	0.629	-0.009	0.604	<b>0.811</b>		
<b>SC</b>	-0.054	0.439	-0.143	-0.038	<b>0.826</b>	
<b>SW</b>	0.610	-0.064	0.573	0.698	-0.084	<b>0.765</b>

**Source: Data Processing Results (2022)**

In carrying out discriminant validity on the measurement model, if each construct is greater than the correlation between constructs and other constructs, it can be said to meet the Fornell-Lacker discriminant validity requirements. When viewed from table 4.13 above, it is stated that all data are valid because the value of the construct is greater than the other constructs.

Discrimination validity is achieved by considering the comparison of the AVE route scores, which must be greater than the correlation scores between configurations (Ghozali, 2018). Discriminant validity has the condition that the value of each variable must have a value of <0.95 and the results of data processing that have been carried out are as follows:

**Table 4.14 Actual HTMT Discriminant Validity Test Results**

	<b>BL</b>	<b>CA</b>	<b>FI</b>	<b>IP</b>	<b>SC</b>	<b>SW</b>
<b>BL</b>						
<b>CA</b>	0.071					
<b>FI</b>	0.824	0.047				
<b>IP</b>	0.725	0.087	0.691			
<b>SC</b>	0.079	0.487	0.145	0.060		
<b>SW</b>	0.701	0.078	0.649	0.805	0.084	

**Source: Data Processing Results (2022)**

It can be seen that discriminant validity has been achieved, the overall construct validity test in this study to test the measurement of the PLS-SEM model has been achieved because it meets the predetermined requirements because there is no value greater than 0.95. Therefore, there is no need for data to be deleted because all data is valid.

### **Reliability Test**

The level of reliability is measured by the value of composite reliability and Cronbach's alpha. For composite reliability, the minimum value set to indicate that the configuration is acceptable is 0.70. If the composite reliability score is greater than 0.70, the construct passes the reliability test (Fitriani, 2016).

**Table 4.15 Actual Reliability Test Results**



Constructs	Composite Reliability	Rule of Thumb	Evaluation
“Feeling of Isolation”	0.873	>0.7	Reliable
“Bandwagon Luxury Consumption Behavior”	0.868		Reliable
“Covid- 19 Anxiety”	0.880		Reliable
“Social Capital”	1.019		Reliable
“Subjective well- being related to Luxury Brand”	0.861		Reliable
“Intention to Purchase Luxury Brand”	0.871		Reliable

Source: Data Processing Results (2022)

In the composite reliability table, each variable shows a number above 0.7 which can be said that each of these indicators meets the predetermined composite reliability criteria. The reliability test ended the actual study testing in this study.

### R- Square

When viewed in table 4.16, it is explained that the “Bandwagon Luxury Consumption Behavior” variable has an R-Square value of 0.529 which means that 52.9% of the “Bandwagon Luxury Consumption Behavior” variable itself can be explained by the other five variables, but 47.1% of the “Bandwagon Luxury Consumption Behavior” variable can be explained by the variable that are outside the study. Then, the “Intention to Purchase Luxury Brand” variable has an R-Square of 0.567 which means that 56.7% of the variables contained in the study can explain the intention to purchase luxury brand, but 43.3% of the variables can be explained outside the study. Finally, the “Subjective well-being” variable related to Luxury Brand which has an R-Square of 0.427 means that 42.7% of the variables can be explained by the variables in the study, but 57.3% of the variables can only be explained outside of this study. Table 4.16 can be seen from the results of data processing below:

Table 4.16 R-Square Value

	R- Square	R- Square adjusted
“Bandwagon Luxury Consumption Behavior”	0.529	0.528
“Intention to Purchase Luxury brand”	0.567	0.559
“Subjective well- being related to Luxury Brand”	0.427	0.418

Source: Data Processing Results (2022)

## Fit Model

This model is designed to assess the goodness of fit criteria where the null hypothesis is tested whether it fits the sample data or not. The model is said to be fit when there is no difference between the model and the data (Dewi, 2020). According to Wijanto (2008) in his research (Permatasari, 2010) that to assess the goodness of fit is divided into three parts, namely absolute fit measures, incremental fit measures, and parsimonious fit measures. In this study, it is seen from the Standardized Root Mean Residual (SSMR) and the Normed Fit Index (NFI). According to (Sun et al., 2018) it is said that the rules of the SSMR are  $<0.10$  and if the value or result is above the predetermined number, then there is a problem with the suitability of the research conducted. Then, NFI has a value range from 0 to 1.

**Table 4.17 Fit Model**

	Saturated Model	Estimated Model
SSMR	0.056	0.062
NFI	0.817	0.813

**Source: Data Processing Results (2022)**

When viewed from table 4.17, the results obtained from the SSMR are quite good, namely 0.056, which means the value is  $<0.10$ . This means that there is no problem of fit in the study and the model is good. Second, look at the NFI which has a value of 0.813. The NFI value itself is close to 1 and this data is very good.

## Multicollinearity Test (VIF)

**Table 4.18 Multicollinearity Test Results (VIF)**

	BL	CA	FI	IP	SC	SW
BL				1.679		1.112
CA				1.281		1.265
FI	1.000					
IP						
SC				1.292		1.292
SW				1.744		

**Source: Data Processing Results (2022)**

From table 4.18 above, it can be seen that the results of the VIDEO itself have gotten good results because the VIF value is  $<5$ . This is in accordance with the justification of (Sun et al., 2018).

## Hypothesis test

According to Ghozali (2017) in his research (Aulia, 2019) said that hypothesis testing was carried out by testing the Critical Ratio (CR) and p-value. If the value of CR 1.96, then the hypothesis is said to be successful. Then, if the resulting p-value is 0.05, then the p-value is said to be significant.

**Table 4.19 Hypothesis Testing Results**

<b>Hipotesis</b>	<b>Original Sample</b>	<b>T-Statistic</b>	<b>P- Value</b>	<b>Conclusions</b>
<i>H1: “Feeling of isolation has a positive effect on Bandwagon luxury consumption behavior”</i>	0.727	15.440	0.000	<b>Supported</b>
<i>H2: “Bandwagon Luxury Consumption Behavior has a positive effect on Subjective well-being”</i>	0.570	10.269	0.000	<b>Supported</b>
<i>H3: “Bandwagon Luxury Consumption Behavior has a positive effect on Intention to Purchase Luxury Brand”</i>	0.334	5.872	0.000	<b>Supported</b>
<i>H4: “Subjective well-being Related to Luxury Brand has a positive effect on Intention to Purchase Luxury Brand”</i>	0.462	7.371	0.000	<b>Supported</b>
<i>H5a: “Covid-19 Anxiety moderates the effect on Bandwagon Luxury Consumption behavior on Subjective well-being”</i>	-0.168	2.176	0.015	<b>Supported</b>
<i>H5b: “Covid-19 Anxiety moderates the effect on Bandwagon Luxury Consumption Behavior on Intention to Purchase Luxury Brands”</i>	-0.065	1.301	0.097	<b>Unsupported</b>
<i>H6a: “Social Capital moderates the effect of Bandwagon Luxury Consumption Behavior on Subjective well-being”</i>	-0.111	1.569	0.058	<b>Unsupported</b>

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<i>H6b: “Social Capital moderates the effect of Bandwagon Luxury Consumption Behavior on</i>	-0.095	1.810	0.035	<b>Supported</b>
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Intention to Purchase Luxury Brand”				
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**Source: Data Processing Results (2022)**

Table 4.19 above shows the results of hypothesis testing through the SmartPLS4 test on bootstrapping using a one-tailed sample of 10000. This use is used because the hypothesis has a positive or negative direction. According to (Hair, J. F., Hult, G. T. M., Ringle, C. M., & Sarstedt, 2017) research results from hypothesis testing can be said to be supported when viewed from the P Value  $< 0.05$  and T-Statistic  $> 1.65$ . Based on the conditions that have been determined, in table 4.19 it can be seen that the results of data processing that appear there are 2 unsupported hypotheses and 6 supported hypotheses.

In the first hypothesis, *H1: “Feeling of isolation has a positive effect on Bandwagon luxury consumption behavior”*, the results from the original sample is 0.727. This hypothesis is already above the value of 0.000 which is significant. Then seen from the P-value of

0.000, it is in accordance with the theory described earlier. Then the T-statistic value is 15,440 and is in accordance with the requirement number  $> 1.65$ . Therefore, this first hypothesis can be said to be in accordance with the theory and is supported and the hypothesis that “Feeling of Isolation has a positive effect on Bandwagon Luxury Consumption behavior” is accepted.

In the second hypothesis, *H2: “Bandwagon Luxury Consumption Behavior has a positive effect on Subjective Well-Being Related to Luxury Brand”*, the results from the original sample is 0.570. This hypothesis is already above the value of 0.000 which indicates a significant and positive relationship. Then seen from the P-value of 0.000, it is in accordance with the theory described earlier. And the T-statistic value is 10.269 and is in accordance with the requirement number  $> 1.65$ . Therefore, this second hypothesis can be said to be in accordance with the theory and is supported and the hypothesis that “Bandwagon Luxury Consumption Behavior has a positive effect with Subjective well-being Related to Luxury Brand” is accepted.

In the third hypothesis, *H3: “Bandwagon Luxury Consumption Behavior has a positive effect on Intention to Purchase Luxury Brand”*, the results from the original sample is 0.334. This hypothesis is already above the value of 0.000 which indicates a significant and positive relationship. Then seen from the P-value of 0.000, it is in accordance with the theory described earlier. And the T-statistic value is 5.872 and is in accordance with the requirement number  $> 1.65$ . Therefore, this third hypothesis can be said to be in accordance with the theory and is supported and the hypothesis that “Bandwagon Luxury Consumption Behavior has a positive effect with Intention to Purchase Luxury Brand” is accepted.

In the fourth hypothesis, *H4: “Subjective well-being Related to Luxury Brand has a positive effect on Intention to Purchase Luxury Brand”*, the results from the original sample of 0.462. This hypothesis is already above the value of 0.000 which indicates a significant and positive relationship. Then seen from the P-value of 0.000, it is in accordance with the theory described earlier. And the T-statistic value is 7.371 and is in accordance with the requirement number  $>$

1.65. Therefore, this fourth hypothesis can be said to be in accordance with the theory and is supported and the hypothesis that “Subjective well-being Related to Luxury Brand has a positive effect with Intention to Purchase Luxury Brand” is accepted.

In the fifth hypothesis, *H5a: “Covid-19 Anxiety moderates the effect on Bandwagon Luxury Consumption behavior on Subjective well-being related to Luxury Brand”*, the results from the original sample is -0.168. This hypothesis is below 0.000 which means that it is statistically significant, but this hypothesis does not moderate so that there is a concern in Subjective well-being Related to Luxury Brand. Then it can be seen from the P-value of 0.015. And the T-statistic value is 2.176 and is in accordance with the requirement number  $> 1.65$ . Therefore, this fifth hypothesis can be said to be in accordance with the theory and is supported and the hypothesis that “Covid-19 Anxiety moderates the effect on Bandwagon Luxury Consumption behavior on Subjective well-being Related to Luxury Brand” is accepted.

In the sixth hypothesis, *H5b: “Covid-19 Anxiety moderates the effect on Bandwagon Luxury Consumption Behavior on Intention to Purchase Luxury Brands”* seen from the P Value of 0.097 which is already greater than the P value that should be and the T-statistic has not yet reached the expected value and shows a value of 1301. Therefore, this hypothesis is not supported.

In the seventh hypothesis, *H6a: “Social Capital moderates the effect of Bandwagon Luxury Consumption Behavior on Subjective well-being Related to Luxury Brand”*. Judging from the P Value of 0.058, it is already greater than the P value that should be and the T-statistic has not reached the value it should have and shows a value of 1,569. Therefore, this hypothesis is not supported.

In the eighth hypothesis, *H6b: “Social Capital moderates the effect of Bandwagon Luxury Consumption Behavior on Intention to Purchase Luxury Brand”*, the results from the original sample is -0.095. Then seen from the P-value of 0.035, it is in accordance with the theory described previously. And the T-statistic value is 7.371 and is in accordance with the requirement number  $> 1.65$ . Therefore, this eighth hypothesis can be said to be in accordance with the theory and is supported and the hypothesis that “Social Capital moderates the effect of Bandwagon Luxury Consumption Behavior on Intention to Purchase Luxury Brand” is accepted.

### 4.3 Discussion

This study uses a new model built by previous researchers who have done this research. This study aims to examine how much influence the pandemic has on purchasing luxury brands in Indonesia regardless of the age of the population. Luxury brands here include accessories, leather goods, cosmetics, and wine.

Section 4.1 discusses the profile of the respondents, including gender, age, and domicile. There are 350 respondents in this study, consist of male and female respondents. The number of male respondents was 236 with a percentage of 67.5% and the number of female respondents was 114 with a percentage of 32.5%. Then, the age group was also obtained from this study,

which is the age group that is the same age as the researcher herself, namely the current generation in the age of 18-25 years old. Furthermore, majority of respondents from this study are living in Jakarta and aged 21 years old and over. When matched with reference journals from (Thapa et al., 2022), there is a difference. It is because for the age problem, the majority of the respondents answered that the highest were those aged over 56 years old. This means that this research is in line with the researchers' expectations to research and obtain data that the purchase of luxury brands against the pandemic with a bandwagon effect based on direct experience from luxury brand users themselves.

Section 4.2 discusses the actual tests that have been carried out using the SmartPIS4 software which were carried out after the preliminary test. In this actual test study, researchers have met the number of respondents size of 350 respondents who have been previously determined. After the questionnaires have been successfully collected, the researcher immediately proceeds to the data analysis stage. The data that has been tested and the analysis is descriptive statistics that get the results that everyone filling out this questionnaire is the owner of a luxury brand, people who get interested because they see other people buying luxury brands, and luxury brand users who are waiting for the latest model or new arrival.

Furthermore, convergent validity and discriminant validity were included in the HTMT test. This test only uses a one-time actual test and there is no data that must be discarded or deleted because it is not appropriate. This happens because the data entered is all appropriate and suitable. In this first test, thirty-five indicators were tested for actual data. Followed by reliability testing which is useful for ascertaining whether all variables and indicators are reliable or not and the result is that all variables and composite reliability indicators are reliable, each variable shows a number above 0.7. The fit model seen in the SSMR is quite good, namely 0.056, which means the value is  $<0.10$ . This means that there is no problem of fit in the study and the model is good. Second, look at the NFI which has a value of 0.813. The NFI value itself is close to 1 and this data is very good. Continue to the VIF test to find out the bias that appears in this study, but there is no visible indicator of the bias because the VIF value is  $<5$ .

Based on the research results that have been obtained, the first hypothesis is stated to be the same as previous research and can be accepted or supported, namely “Feeling of Isolation has a positive effect on Bandwagon luxury consumption behavior”. This is seen from the sense of isolation which ultimately affects people when they see a product on social media or feel the effect of wanting to follow the nature of hedonism when they see other people owning luxury brand goods. As stated in the journal (Tharpa & et.al, 2022) that humans are social, therefore social relations are needed and not a desire. According to (Bureau of Labor Statistics, 2020), people will suffer physically and mentally when there is no social bond with one another, so there is a term where humans are social creatures.

The second hypothesis which is stated to be the same as previous research and can be accepted or supported is that “Bandwagon Luxury Consumption Behavior has a positive effect on Subjective well-being Related to Luxury Brand”. It is seen that subjective is an emotional trait. With the emotional nature, this will affect the desire to buy luxury products so that they feel their own satisfaction when they have the luxury brand. In addition, in accordance with the statement written by (Tharpa & et.al, 2022) and described in chapter 2 of this study, that when people can fulfill their emotional desires, then that person will indirectly join a certain

status and feel compatible with them. other people who have the same hobby as that person, such as having a hobby of collecting luxury brands.

The third hypothesis which is stated to be the same as previous research and can be accepted or supported is that “Bandwagon Luxury Consumption Behavior has a positive effect on Intention to Purchase Luxury Brand”. This can be seen from the effect of joining in on buying luxury brands which can affect the growth of high desires in certain groups. Usually this concerns a fashionable and hedonistic style. This is done by a person so that he does not feel isolated or abandoned. With the pandemic, buying luxury brands online can also be done. The fourth hypothesis which is stated to be the same as previous research and can be accepted or supported is that “Subjective well-being Related to Luxury Brand has a positive effect on Intention to Purchase Luxury Brand”. This relates to the happiness of a person when he spends money, time, and energy to buy luxury brands. The “subjective well-being experience” that makes luxury brand consumers feel valuable satisfaction because consumers have high intentions in buying luxury brands. Therefore, a hypothesis is formed that “Subjective well-being Related to Luxury Brand has a positive effect on Intention to Purchase Luxury Brand”.

It cannot be said that the effect of subjective well-being is not seen when there is intention in purchasing a luxury brand.

The fifth hypothesis which is stated to be the same as previous research and can be accepted or supported is that “Covid-19 Anxiety moderates the effect on Bandwagon Luxury Consumption behavior on Subjective well-being Related to Luxury Brand”. This hypothesis is statistically significant and supported, but theoretically in the journal (Tharpa & et.al, 2022) it is written that “Covid-19 Anxiety moderates the effect on Bandwagon Luxury Consumption behavior on Subjective well-being”. Related to Luxury Brand. This hypothesis statement is weak because when moderating concerns arise in the “Subjective well-being Related to Luxury Brand”.

The sixth hypothesis which is stated to be inconsistent with previous research because it is weak is that “Covid-19 Anxiety moderates the effect on Bandwagon Luxury Consumption Behavior on Intention to Purchase Luxury Brands”. This means that Covid-19 does not moderate the relationship between “Bandwagon Luxury Consumption Behavior” to “Intention to Purchase Luxury Brands”. Under no circumstances will people worry about buying a luxury brand. This hypothesis is weak because it is not significant and produces an unsupported hypothesis statement.

The seventh hypothesis is contradicted by previous research because it was stated in previous studies that this seventh hypothesis is a strong hypothesis, but in this study it does not appear that the “Social Capital” hypothesis moderating the effect of “Bandwagon Luxury Consumption Behavior on Subjective well-being related to Luxury Brand” is supported. However, this study obtained results that were not supported by this hypothesis. Therefore, “Social Capital does not moderate the effect of Bandwagon Luxury Consumption Behavior on Subjective well-being related to Luxury Brand”.

The eighth hypothesis, stated to be contrary to previous research because it was said in previous studies that this eighth hypothesis is a strong hypothesis and is not supported, but based on research conducted by current researchers, the results of the obtained hypothesis are also supported by the “Social Capital hypothesis” moderating the effects of “Bandwagon



Luxury Consumption Behavior on Intention to Purchase Luxury Brand”. This means that people buy luxury brand products to get their own satisfaction and there is a sense of having a high desire to buy because they want to join the group of people in order to follow trends and times.

## 5. CONCLUSIONS AND RECOMMENDATIONS

At the end of this study, the researcher discusses the conclusions and suggestions from the research that has been running. The results have also been obtained, providing theoretical and managerial implications of the pandemic on luxury brands, and also providing recommendations for further research.

### 5.1 Conclusion

Based on the data analysis that has been done using SmartPLS4 it can be concluded that of the eight hypotheses that have been formed, there are 6 supported hypotheses and 2 unsupported hypotheses. The two unsupported hypotheses are said to be insignificant, so there is no influence between the hypotheses formed. The following is a description of the explanation of the hypothesis that has been formed with the discussion:

H1: Included in the supported hypothesis because it can be seen from the results of the data confirmation that H1 has a p-value of 0.000 which is useful for seeing whether the hypothesis is accepted or not. Then, the T-statistic value is 15,440 which means that this hypothesis has an influence between the two variables and has a significant value. It can be concluded that this “sense of isolation has a positive effect on the Bandwagon effect”, so it can be said that the first hypothesis is appropriate and supported. The hypothesis is: “*Feeling of Isolation has a positive effect on Bandwagon luxury consumption behavior*”.

H2: Included in the supported hypothesis because it is seen from the results of data processing carried out, that H2 has a p-value of 0.000 which means this hypothesis is accepted. Then, the T-statistic value is 10,269 which means that this hypothesis has an influence between the two variables and has a significant value. It can be concluded that “the effect of Bandwagon has a positive effect on subjective well-being caused by the emotional nature of a person for his satisfaction with purchasing at luxury brands”, it can be said that this second hypothesis is appropriate and supported. The hypothesis is: “*Bandwagon Luxury Consumption Behavior has a positive effect on Subjective well-being Related to Luxury Brand*”.

H3: Included in the supported hypothesis because it is seen from the results of data processing carried out, that H3 has a p-value of 0.000 which means this hypothesis is accepted. Then, the T-statistic value is 5.872 which means that this hypothesis has an influence between the two variables and has a significant value. It can be concluded that the “Bandwagon effect has a positive effect on intentions to buy luxury brands which is usually due to social status and feeling that they want to be accepted in a group, it can be said that this third hypothesis is appropriate and supported”. The hypothesis is: “*Bandwagon Luxury Consumption Behavior has a positive effect on Intention to Purchase Luxury Brand*”.

H4: Included in the supported hypothesis because it is seen from the results of data processing carried out, that H4 has a p-value of 0.000 which means this hypothesis is accepted.

Then, the T-statistic value is 7,371 which means that this hypothesis has an influence between

the two variables and has a significant value. It can be concluded that “subjective well-being has a positive effect on the intention to buy a luxury brand which is usually due to the emotional nature of being concerned with self-pleasure which will provide an impetus to intend to buy a luxury brand”, so it can be said that this fourth hypothesis is appropriate and supported. The hypothesis is: “*Subjective well-being Related to Luxury Brand has a positive effect on Intention to Purchase Luxury Brand*”.

H5a: Included in the supported hypothesis because it is seen from the results of data processing carried out, that H5a has a p-value of 0.015 which means this hypothesis is accepted. Then, the T-statistic value is 2.176 which means that this hypothesis has an influence between the two variables and has a significant value. It can be concluded that “Covid anxiety does not moderate the Bandwagon effect on subjective well-being concerns which is significant in statistics”, so it can be said that this fifth hypothesis is appropriate and supported. The hypothesis is: “*Covid-19 Anxiety moderates the effect on Bandwagon Luxury Consumption Behavior on Intention to Purchase Luxury Brands*”.

## 5.2 Theoretical Implications

This research is supported by theories that have been created and researched by previous researchers, such as buying luxury brands in great demand because of the Bandwagon effect which means following other people to buy luxury brand products. This is also due to the hedonic nature that arises because the price of luxury brands is not cheap and only certain circles can buy their own luxury brands. In the relationship that has been built in this study, it can be concluded that there are still not too many researchers who use research with this research model. This can be further expanded the scope of subsequent and future research in order to expand the academic field regarding luxury brands during a pandemic, the factors of people buying luxury brands, and how much influence the pandemic has on the sales of luxury brands themselves.

***H1: “Feeling of isolation has a positive effect on Bandwagon luxury consumption behavior”.***  
Based on the existing theory, it is stated that this research expands understanding in certain times. As during this pandemic, people must be able to adapt to the existing situations and conditions. Then, this situation has an impact on providing conditions where a person's desire will increase, in this study is the desire to buy a luxury brand and Bandwagon effect.

***H2: “Bandwagon Luxury Consumption Behavior has a positive effect on Subjective well-being”***

Based on existing theory, it is stated that humans have an innate need to be part of certain groups because of subjective well-being. Therefore, it is certain that the Bandwagon effect has an effect on subjective well-being. Usually, this sense of desire possessed by humans can affect when someone wants to look for social opportunities.

***H3: “Bandwagon Luxury Consumption Behavior has a positive effect on Intention to Purchase Luxury Brand”***

Based on the existing theory, it is stated that in times of crisis, the need for affiliation turns into an intention to buy luxury goods. Lots of people feel the impact, namely the emergence of intentions to buy luxury brands because there are no definite activities when they are at home due to undergoing isolation.

***H4: “Subjective well-being Related to Luxury Brand has a positive effect on Intention to Purchase Luxury Brand”***

Based on the existing theory, it is stated that subjective well-being has a strong theoretical explanation because it will motivate them to find social relationships, therefore there is also an intention to join people of certain social status in a group.

***H5a: “Covid-19 Anxiety moderates the effect on Bandwagon Luxury Consumption behavior on Subjective well-being”.***

Based on the existing theory, it is stated that at this time, humans are undergoing the problem of the COVID-19 outbreak and have experienced how it feels during quarantine. This never happen before. This COVID-19 has profoundly impacted the Bandwagon's effect on subjective well-being.

***H5b: “Covid-19 Anxiety moderates the effect on Bandwagon Luxury Consumption Behavior on Intention to Purchase Luxury Brand”.***

Based on the existing theory, it is stated that this research is actually different from the theory, because the theory states that the data results are strong, but this hypothesis shows a weak hypothesis. Therefore, COVID-19 anxiety does not moderate Bandwagon's effect on intention to buy luxury brands.

***H6a: “Social Capital moderates the effect of Bandwagon Luxury Consumption Behavior on Subjective well-being. Related to Luxury Brand”.***

Based on the existing theory, it is stated that this research is actually different from the theory, because the theory states that the data results are strong, but this hypothesis shows a weak hypothesis. Therefore, social capital does not moderate Bandwagon's effect on subjective well-being.

***H6b: “Social Capital moderates the effect of Bandwagon Luxury Consumption Behavior on Intention to Purchase Luxury Brand”.***

Based on the existing theory, it is stated that this study focuses on the moderating role of social capital in the proposed relationship, in which social relationships, self-esteem and group beliefs will create high social capital. This can be seen from the existence of a more comprehensive understanding of social capital moderating the effect of Bandwagon on the intention to buy luxury brands.

### **5.3 Managerial Implications**

This study has managerial implications to determine the moderating effect of anxiety and social capital from COVID-19. The literature that has been written and previous research is still very minimal for this research, especially in terms of discussing the effects of social capital itself.

***H1: “Feeling of isolation has a positive effect on Bandwagon luxury consumption behavior”.***

Based on the managerial implications, it is explained that not only during isolation, luxury brands will increase their sales, but during uncertain times such as not in quarantine, luxury brands have many enthusiasts who are waiting for the brand to release its newest model, but many people still buy luxury brands because feel the Bandwagon effect.

***H2: “Bandwagon Luxury Consumption Behavior has a positive effect on Subjective well-being”***

Based on the managerial implications, it is explained that individuals try to get along with certain groups because of the feelings of the Bandwagon effect that arise. The Bandwagon effect is very influential because people don't want to be left behind by their group because they don't buy luxury brands.

***H3: “Bandwagon Luxury Consumption Behavior has a positive effect on Intention to Purchase Luxury Brand”***

Based on managerial implications, most people will share experiences from one person to another by creating brand communities in which members will share experiences and communicate with each other virtually. In this way, people will definitely consider buying a luxury brand so that they can be part of the community.

***H4:” Subjective well-being Related to Luxury Brand has a positive effect on Intention to Purchase Luxury Brand”***

Based on the managerial implications, with the existence of a social community, this will encourage luxury brand marketers to succeed and feel they will benefit if they emphasize the value of luxury brands as social symbols. Usually, individuals will prioritize their own satisfaction and feel proud if they already have a luxury brand and obtain a certain social status.

***H5a: “Covid-19 Anxiety moderates the effect on Bandwagon Luxury Consumption behavior on Subjective well-being”.***

Based on the managerial implications, the result of high Covid-19 anxiety is psychologically less open to luxury brands. In fact, luxury brands in critical times need to listen to what customers need. However, this hypothesis is a strong and supportive hypothesis.

***H5b: “Covid-19 Anxiety moderates the effect on Bandwagon Luxury Consumption Behavior on Intention to Purchase Luxury Brand”.***

Based on the managerial implications, under no circumstances will people worry about buying a luxury brand, not just during COVID-19. Therefore, Covid-19 anxiety did not moderate Bandwagon's effect on intention to buy luxury brands. Anxiety weakens the relationship between consumption behavior of luxury brands and intention to buy luxury brands.

***H6a: “Social Capital moderates the effect of Bandwagon Luxury Consumption Behavior on Subjective well-being. Related to Luxury Brand”.***

Based on managerial implications, this social capital is not strongly hypothesized and indicates it does not moderate the Bandwagon effect because most people are more likely to follow the trend due to the Bandwagon effect to compensate for the lack of social connectedness that

exists, therefore the focus of luxury brand marketers should focus on the elite or the elite celebrity.

***H6b: “Social Capital moderates the effect of Bandwagon Luxury Consumption Behavior on Intention to Purchase Luxury Brand”.***

Based on the managerial implications, people buy this luxury brand because of their own satisfaction when buying and owning a luxury brand and then to follow the development of trends and social capital so that this moderates the Bandwagon effect.

### **5.3 Research Limitations**

In this study, there are some limits to the research conducted by researchers. The limits in this study are as follows:

- The context of this research is still very limited because it only covers the discussion of the bandwagon effect that occurs in purchasing luxury brands
- The context of this research is still lacking because it is written only to discuss luxury brands in the form of accessories, leather goods, cosmetics, and wine (alcohol).
- There are respondents who answered with subjective answers. This causes the answers from respondents to show good results for this questionnaire.
- Theories, hypotheses, and discussions of this research are based on the understanding of the researcher, therefore it is feared that there will be differences in understanding of the readers in reading this research.
- This research was conducted within 3 months, with that the researcher feels that the time he has in completing this research is very lacking and limited in understanding about this research.

### **5.4 Recommendations for Further Research**

Suggestions for further research is that in order to improve research in order to get better research, recommendations and suggestions are needed so that the results of this research can be maximal research. It is hoped that further researchers can discuss the latest luxury brands, or they can also use luxury brands that people rarely use (really luxurious). Then, further research can also use different ratios in order to get different results from this study. In further research, it can be investigated further and added variables that affect luxury brand sales during the pandemic, apart from the variables that have been used, namely “Feeling of isolation”, “Bandwagon luxury consumption behavior”, “Covid-19 Anxiety”, “Social Capital”, “Subjective well-being related to Luxury Brand”, and “Intention to Purchase Luxury Brand”. Using variables outside of the six variables used is useful for knowing and examining whether it is seen from the factors that can affect the capital structure, the difference, and whether the results obtained will be more objective or not. Finally, do this research with a long span of time

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until the research is completely completed and get maximum results.

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