Postmodern Mindset and Behavior of Indonesia Consumer: Local Brand Preference, Early Adopter, Consumer Credit, and Online Buying based on Social Class

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Abstract: Indonesian consumers' mindset is formed by the development of marketing based on information and communication technology. This article aimed at analyzing the differences in postmodern the mindset of Indonesia Consumer about Local Brand Preference, Early Adopter, Open-mindedness to credit facilities, and Online Buying based on social classes. This research is a descriptive study by 1000 samples of Indonesian consumers from three social classes, which are upper, middle, and lower social classes. Kruskal Wallis, Anova Test, and Discriminant were used for data analysis, and the results showed that there were differences in local brand preferences in the social class of Indonesian consumers, where the lower social class had higher preferences for the local brand. As for in other results, there is no difference between social classes based on Early Adopter characteristics, although the data description showed that the upper class tends to be an early adopter segment. Related to Open-mindedness for credit facilities, the results of the study showed that there is no difference in the social class of Indonesian consumers. The test results on the Online buying and Thinking mindset variables indicate that there are differences in preferences in the Online buying and Thinking mindset of consumption in the social class of Indonesian consumers with groups that showed the highest average differences are the middle class and lower class. The discriminant equation in all three social classes shows that the Thinking mindset variable has the biggest influence on the three social classes. When it was seen the tendency in the three social classes, the variable Open-mindedness to credit facilities is stronger in the lower social class; Online Buying is stronger in the upper and middle classes, and conservative thinking mindset is stronger in the lower classes.

1 INTRODUCTION

Consumer behavior in today's digital era has experienced many changes (OECD, 2010). There are two major conditions driving this change. The internet has changed the moment when consumers decide to buy a particular product (Marie and Grybś, 2013). Dynamic and continuous technological changes produce new products and services, jobs and business systems, new lifestyles and interpersonal communication, and are not only a driving force for cultural change but at the same time are subject to change itself (Grubor and Marić, 2015). The development of communication and information technology and the rise of digital media brought a new wave of consumerism (OECD, 2010; Eroğlu, 2014). Second, there is a change in socio-economic conditions (OECD, 2010), where many countries experience changes in business competition, energy, financial services, telecommunication, and transportation industries. Consumers have migrated from old model industries to new era industries, from mass-produced products to customized ones and from obsolete products to innovative products (Czarniewski, 2014).

Rapid changes in information and communication technology also have an impact on shifts in the whole marketing of products and services. In the era of modern technology, consumers obtain a new 'ammunition' as a producer of a new online reality (Hamouda, 2012). The impact of the internet on consumers will continue to grow. In China, for example, 68% of the middle

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class have access to the internet, compared to 57% of the total urban population. The Indonesia Internet Service Provider Association survey in 2018 showed that internet users in Indonesia were 171.17 million people or 64.8% of the total population of Indonesia.

Consumer behavior has now entered the era of postmodern behavior. Postmodern, an era outside of modernity (Singh, 2011), is becoming increasingly plural in values and lifestyles (Bouagina and Triki, 2014). Many researchers argue that consumption in this era is the most crucial representation of postmodernism in contemporary life (Zhongqi et al., 2016). Consumers' shopping habits have changed over the past decade in which creativity and productivity, as well as digital technology, are integrated with shopping or consumption experiences (Yasav, 2015; Firat, Kutucuoğlu, Saltik, Tunçel, 2013).

Postmodernism offers an alternative to joining a global consumption culture where commodities and forms of knowledge are driven away from human control (Singh, 2011). On the one hand, ethnic diversity distinguishes products consumed, and on the other hand, many societies will become part of the globalization of consumption (Czarniewski, 2014). Changes in postmodernism consumer behavior is an un-ending process (Deepak and Harneet, 2017) that is adaptive, flexible, fragmented, liberated, and symbolic (Bouagina and Triki, 2014).

Post-modern has a link with consumer behavior. One of the characteristics of postmodern consumers is that they no longer have traditional values of society and are unpredictable in behavioral patterns (Berner and Tonder, 2003). Nowadays, people tend to be consumptive and are encouraged to continue consuming, using, and discarding to live (Bati, 2008). Changes in paradigms in consumer behavior increase the need to engage with consumers (Eroğlu, 2014) effectively.

Consumption is a primary social process, and many functions, as well as motivations for consumption, are derived from social (Schor, 2002). Social class is also related to consumer behavior and becomes the basis for understanding consumer behavior (Shavitt, Duo, Hyewon, 2016). A set of characteristics is found to be systematically different in each social class in the psychological domain, including norms and habits, abstract-level modes of thought, the domain of behavior, and the domain of physical influence (Iqbal and Ismail, 2011). Every consumer desire in a social class is important for marketers because the buying behavior in a social class is the same (Durmaz, 2014) and differs between classes (Iftikhar, Hussain, Kahn, and Iiyas, 2013).

Each social class places society according to their values in society (Durmaz and Taşdemir, 2014). Social class variables are useful for differentiating consumers based on ethnocentrism values (Strehlau, Ponchio, and Loebel, 2012). Consumer ethnocentrism is more dominant in consumers who like local products (Candan, Aydm, and Yamamoto, 2008). Developed country consumers, in general, will judge their domestic products to be of higher quality than other countries' products (Ping, Lobo and Li, 2012).

Postmodern in this study is connected with Local Brand Preference, Early Adopter, Open-mindedness to credit facilities, Online Buying, and Thinking Mindset based on Social Class. Why? Because social class also influences where and how consumers perceive purchases (Durmaz and Taşdemir, 2014). Lower social class, for example, likes local products: markets that allow face to face interaction where they get friendly service and easy credit, often in their neighborhood (Durmaz and Taşdemir, 2014), so that they have high ethnocentrism values (Strehlau, Ponchio, and Loebel, 2012). When local products are available, high ethnocentric consumers will show a preference for local products (Siamagka, 2009).

Consumers migrate from obsolete products to innovative products (Czarniewski, 2014). The emergence of the adoption of a new product behavior is the result of the interaction of several psychological variables (Eroğlu, 2014). The research of Ahmed, Khan, and Samad (2016) shows that a prosperous Indonesian consumer class is an attractive consumer group. They are ready to adopt new products, look for quality, and are ready to pay for it.

The adoption of digital-based e-commerce encourages the fulfillment of challenges related to technology, people, and money (Quigley, 2015). Changes in communication and information technology in banking services encourage consumers to think positively about credit and view credit as an indicator of economic growth. The level and structure of consumer spending depend on several factors, such as the level of savings, the propensity to save, debt, and attitudes towards a credit (Czarniewski, 2014). In the 2010 OECD study, 73% of young Danish people did not and were less concerned about the interest rates on their loans, and 64% bought goods on credit and thought that said loans had low-interest rates (OECD, 2010).

Modern consumers ask for permanent access to the internet and information at any place and at any time (Marie and Grybś, 2013). Online consumers now have more control and bargaining power than physical stores consumers (Eroğlu, 2014). The net-generation is now extremely aware of differences in various cultures in the world and more critical of the reality created by the media (Czarniewski, 2014).

The types or modes of thought tend to be the impact of economic resource sharing. Modes of thought or modern mindset are usually concentrated in the upper social class because they describe themselves as inquisitive and interested in new things, seeking to broaden their minds (Iqbal and Ismail, 2011). Global change encourages a deeper understanding of the dynamics of cultural differences (Deepak and Harneet, 2017).

Hypothesis:

Ha1: There are differences in Local brand preference in the social class of Indonesian consumers

Ha2: There are differences in the early adopter segment for new products in the Indonesian consumer social class

Ha3: There are differences in Open-mindedness to credit offers in Indonesian consumer social classes

Ha4: There are differences in online buying preferences in Indonesian consumer social classes

Ha5: There are differences in thinking mindset of consumption in the social class of Indonesian consumers

Ha6: Openness to credit offers is related to Indonesian consumer social class

Ha7: Preference for online buying is related to the social class of Indonesian consumers

Ha8: the Thinking mindset of consumption is related to the social class of Indonesian consumers

2 METHOD

This research is a descriptive study that explains the relationship between social class and postmodern mindset and behavior of Indonesia Consumer in relation to Local Brand Preference, Early Adopter, Open-mindedness to credit facilities, Online Buying, and Thinking Mindset based on Social Class. The selected respondents were Indonesian consumers over 17 years old from 31 Provinces (out of 34 Provinces) and 42 ethnicities. Data was collected through a survey method by distributing questionnaires utilizing accidental sampling. The number of respondents who gave responses was 1000 people, but there are missing values that are not counted in the analysis.

The variables used are Postmodern mindset, which is derived into sub-variables X1 Local Brand Preference, X2 Early Adopter, X3 Open-mindedness to credit facilities, X4 Online Buying and X5 Thinking Mindset and the dependent variables namely three social classes (upper, middle, and lower). The following table describes the operational definition.

Table 1: Operational Definition

Var	Postmodern Sub Variables	Source	Description	Item in the questionnaires
X1	Local Brand Preference	Singh (2011); Czarniewski (2014); Berner and Tonder (2003) Strehlau, Ponchio, and Loebel (2012) Durmaz and Taşdemir (2014)	Global consumption culture; No more having traditional values of society; social class is useful for differentiating consumer based on ethnocentrism value; consumers like the local product, the marketplace that allows face to face with the trader/seller	How important is the local Indonesian brand for consumer
X2	Early Adopter	Bouagina and Triki (2014); Eroğlu (2014) Czarniewski (2014)	adaptive, flexible, fragmented, liberated and symbolic; showing the adoption behavior of a new product; from obsolete to innovative product	How important is consumer be the first buyer of new product
X3	Open-mindedness to	Czarniewski (2014) Durmaz and	Level and structure of expenditure depend on some factors such as	How important is being the consumer

	credit facilities	Taşdemir (2014)	level of savings, the propensity to save, debt, and attitude toward credit facilities credit; Marketplace that offers easy credit, often in the neighborhood	that was having an open mind to credit facilities
X4	Online Buying	Yasav (2015); Firat, Kutucuoğlu, Saltik, and Tunçel (2013) Marie and Grybś (2013) Eroğlu (2014)	Digital technology; Modern consumer ask permanent access to internet and information; Online consumers currently have more control and bargaining power than physical stores consumers	How important is consumer believe in purchasing via the internet
X5	Thinking Mindset	Iqbal and Ismail, 2011 Deepak and Harneet, 2017	Modern thought or mindset is usually concentrated on social class. Global change encourages a deeper understanding of the dynamics of cultural differences.	How deep do you think and act conservatively/ traditionally

Analysis of the data used is Kruskal Wallis, Anova, and Discriminant Analysis. Kruskal Wallis test is used to find out the X1 preference for local brands and X2 early adopters in all three social classes. ANOVA test is used to examine the relationship between the three social classes (upper, middle, and lower) with independent variables. For the X5 Thinking Mindset variable specifically, the questionnaire is trying to find out thinking which is contrary to modern thinking or can be called conservative/traditional thinking. Discriminant analysis is used to look at grouping individuals based on more than one independent variable. The discriminant analysis aims to classify an individual into mutually exclusive/disjoint and exhaustive groups based on a number of explanatory variables.

3 RESULT

Referring to Table A Data of Respondents (see Appendix), it is stated that 57% are the lower social class, 41% middle social class, and 2% upper social class. The grouping of social classes is based on three factors, namely income, employment, and education (Birkelund and Lemel, 2012), according to the ISP formula (Mihic and Culina, 2006). The number of female respondents was 55.2%, and the male was 44.8%. Based on age data, respondent data shows that the proportion of age is quite balanced (around 22-29%) up to the age group <45 years, while the age group> 46 years is 20.6%. Of marital status, there are 29.6% husbands, 27.8% wives, 39.7% children, and the rest are other family members. Data on the education level of the respondents indicated that most of them were high school graduates (58.9%). Income data shows that 50.4% of respondents earn Rp. 2,400,000-7,200,000 per month and 31.2% earn ≤ 2,400,000. Respondent's employment distribution data shows 30.5% respondents are not working (including housewife), 15.5% are students, 14.9% are administrative employees, and 13.2% are middle managers, small business owners, middle-level government officials, middle-level professionals (doctors, lawyers, lecturers, etc.), and middle-level police/army officers. Most respondents came from provinces on Java island (78%), and Javanese, as well as Madurese, dominates the number of respondents who filled out the questionnaire (68.8%). Table 2 indicates that all of the sub-variables of the postmodern mindset are valid and reliable.

Table 2. Validity and Reliability

Sub Variables Post-modern Mindset	**Mean**	**Validity (subtotal to total corr.)**	**Reliability (Cronbach. Alpha)**
X1	4.0437	0.591	0.863
X2	2.5584	0.665	0.860
X3	2.4446	0.730	0.855
X4	3.0608	0.584	0.863
X5	2.9675	0.396	0.872

The following results answer the research hypothesis whether there is a relationship between social class and postmodern mindset and behavior of Indonesia Consumer in relation to Local Brand Preference, Early Adopter, Open-mindedness to credit facilities, Online Buying, and Thinking Mindset based on Social Class. Based on Table B

(Appendix), the mean value of X1 is 4.0437. Middle social class has the lowest mean of 3.9431. The lower social class has the highest mean value of X1, which is 4,1161, which descriptively signifies that the lower class prefers local brands.

X2 mean value = 2.5584 (less than 3.00 or even 4.00), means obtained with a slight difference between the middle and lower classes, which were 2.5792 and 2.5365, respectively. In addition, the upper class gets a mean of the highest value of 2.7500 in that category. In general, Indonesian consumers lack the characteristics of early adopters. Although the mean value of X2 is less than 3.00 or so, descriptively, the upper classes tend to be early adopters compared to other social classes.

The X3 obtained a mean value of 2.4446 (less than the middle value of 3.00 or even 4.00). The middle class has the lowest mean value with a value of 2.3491, while the upper class has a mean of 2.6000, followed by the lower class with a value of 2.5071. Descriptively, Indonesian consumers show less openness to facilities or access to purchase goods on credit. However, the upper class has more Open-mindedness towards credit facilities compared to other social classes.

The calculation result of X4 shows that the lower class has the lowest mean value of 2.9626. The middle class and upper class respectively have a mean value of 3.1852 and 3.3000. Descriptively, the upper social class prefers online purchases.

Meanwhile, the X5 shows that the lower class has the highest mean value of 3.0982. Middle and upper classes, respectively, have a mean score of 2.7896 and 2.9000. This signifies that the lower classes still tend to have conservative/traditional thinking in consumption. These results are in line with the results of variable X2, which shows that the lower class is not an early adopter of new products.

After going through descriptive analysis, the data were analyzed using the Anova Test. Before continuing the test, one of Anova's assumptions is the same variance. From Table C (Appendix-Test of Homogeneity of Variance), it can be seen that the test results show that the five variants of the variables are not the same (see Appendix). The score of the p-value for variable X1 and X2 = 0,000 is smaller than 0.05 or reject H0 = 0; the meaning is that there are different variants in the three groups on the variables X1 and X2 so that the Anova test is invalid to test this relationship. Consequently, the Kruskal Wallis test is used to find out the and X2 in all three social classes. The score of p-value for variable X3=0.089, X4 (p-value=0.189), X5 (p-value=0.985) is> 0.05; which indicates that all three variants are the same. Therefore, the Anova test is valid for testing this relationship.

Table 3 describes the result of the Kruskal Wallis rank for variables X1 and X2.

Table 3. Kruskal Wallis Ranks

Variables	ISP	N	Mean Rank
X1 Preference of local brand	upper	19	479.13
	middle	404	452.04
	lower	560	521.27
X2 Early adopter	upper	20	535.58
	middle	404	506.18
	lower	561	481.99

Kruskal Wallis's mean rank results show that the highest local brand preference of Mean Rank X1 is the lower social class. It can be interpreted that lower social class has more preference for local brands. In the X2 variable, the highest value is in the upper social class. These results signify that the upper social class is the social class included in the early adopter segment of new products. Furthermore, the following test statistics will show whether the differences between social classes are significant or not significant.

Table 4. Test Statistics[a]

	X1 Preference of local brand	X2 Early adopter
Chi-Square	15.753	2.285
df	2	2
Asymp. Sig.	.000	.319

a. Kruskal Wallis Test

b. Grouping Variable: ISP

The results of the statistical tests in Table 4 show a p-value <0.05, then Ha1: There are differences in the local brand preference in the social class of Indonesian consumers, which is accepted. Whereas for variable X2 early adopter, the test results show no significant difference between social classes even though the data description showed that the upper class tended to be an early adopter segment. Thus Ha2: There are differences in the early adopter segment of new products in the Indonesian consumer social class is rejected.

Looking back at the ANOVA analysis, there are differences in the variables X3 Open-mindedness to credit facilities, X4 Online Buying, and X5 Thinking mindset of the three social class groups.

Table 5. ANOVA

		Sum of Squares	df	Mean Square	F	Sig.
X3	Between Groups	6.335	2	3.167	2.302	.101
	Within Groups	1348.39	980	1.376		
	Total	1354.72	982			
X4	Between Groups	12.826	2	6.413	4.971	.007
	Within Groups	1269.52	984	1.290		
	Total	1282.35	986			
X5	Between Groups	22.445	2	11.222	10.095	.000
	Within Groups	1090.51	981	1.112		
	Total	1112.95	983			

ANOVA test results show no differences in the X3 in the three social class groups (Not rejecting/accepting H0), with p-value = 0.101. Thus Ha3: There are differences in openness to credit offers in Indonesian consumer social classes is rejected. If the test results show Ho failed to be rejected (there is no difference), then further tests (Post Hoc Test) can't be carried out.

ANOVA test results on variables X4 and X5 showed a significant difference (rejecting H0) on the variable X4 (p-value=0.007) and the X5 (p-value=0.000) between the three social classes. Hence, the next test will be done to see which groups are different through further testing (Post Hoc Test). Thus, alternative hypotheses 4 and 5, namely Ha4: There are differences in online buying preferences in Indonesian consumer social classes and Ha5: There are differences in Thinking mindset of consumption in Indonesian consumer social classes are accepted.

Then the further test (Post Hoc Test-Bonferroni Test) is used to determine the difference between X4 and X5. Table 6 indicates that the groups which showed an average difference in the X4 (marked with an asterisk "*") were the middle class and lower class. Likewise, for the X5, it shows that the middle class and lower-class group have different mean values.

Table 6. Bonferroni Test

Dep. Var	(I) ISP	(J) ISP	Mean Diff. (I-J)	Std. Error	Sig.	95% Confidence Interval	
						Lower Bound	Upper Bound
X4	up	mid	.11481	.2608	1.000	-.5091	.7387
		low	.33737	.2584	.576	-.2825	.9572
	mid	up	-.11481	.2601	1.000	-.7387	.5091
		low	.22255*	.0740	.008	.0450	.4001
	low	up	-.33737	.2584	.576	-.9572	.2825
		mid	-.22255*	.0740	.008	-.4001	-.0450
X5	up	mid	.11040	.2415	1.000	-.4688	.6896
		low	-.19821	.2399	1.000	-.7736	.3772
	mid	up	-.11040	.2415	1.000	-.6896	.4688
		low	-.30861*	.0688	.000	-.4737	-.1436
	low	up	.19821	.2399	1.000	-.3772	.7736
		mid	.30861*	.0688	.000	.1436	.4737

Furthermore, to examine the role of the three variables X3, X4, X5 in Indonesian consumer social class, a Discriminant Analysis test was conducted. Discriminant analysis was carried out on variables X3, X4, and X5 because the variables X1 and X2 did not meet homogeneous criteria.

According to Table D in the Appendix, there were 978 respondents' analyzed cases. Twenty respondents are upper class, 400 middle-class respondents, and 558 respondents are lower class. The mean value of X3 in the upper social class is 2.6, in the middle class are 2.3 and in the lower class is 2.5. It can be descriptively interpreted that the upper class has more Open-mindedness towards purchases on credit, and the middle class has a more careful thought about credit. In the X4, the mean value of the upper class is 3.3, the middle class is 3.1, and the lower class is 2.9. These results indicate that the upper classes have a greater interest in internet purchases. In the X5, the upper class has a

mean value of 2.9, the middle class is 2.78, and the lower class is 3.09. These results indicate that the lower classes of Indonesian consumers still think conservatively/traditionally in their consumption behavior. Referring to Table 7, the results of the analysis to test the average similarity of variables are presented. This test uses Wilks' lambda and significance values.

Table 7. Tests of Equality of Group Means

Variables	Wilks' Lambda	F	df1	df2	Sig.
X3	.995	2.235	2	975	.108
X4	.990	4.827	2	975	.008
X5	.980	9.994	2	975	.000

Based on the results of the average similarity test variables, the significance value of X3 is 0.108> 0.05, which means there is no significant difference in the group. Thus, Ha6: Openness to credit offers relating to Indonesian consumer social classes is rejected. Online Buying value (X4) of 0.008 <0.05 means there are differences in groups. Ha7: Preference for online buying related to the social class of Indonesian consumers is accepted. While the value of Thinking mindset (X5) of 0.000 <0.05, means there are differences in groups. Hence, Ha8: the Thinking mindset of consumption related to the social class of Indonesian consumers is accepted. Online Buying and Thinking mindset contribute to differences in the behavior of social class groups, and the results of this test are consistent with the results of the ANOVA test.

Covariance and Correlation analysis results in Table E (see Appendix) show that the correlation between independent variables is not greater than 0.5. This means that there is no correlation between independent variables. The results of the calculation of variance similarity test using Box'M yielded results of significance values of 0.062> 0.05. This means that the variance of the two data groups is identical/homogeneous.

In Table H (Appendix), the calculated F value of the X3 is 9.994, X4 is 6.918, and X5 is 6.348. According to the results of the discriminant analysis using the stepwise method, the statistical value of F and its significance indicate that the three variables are the same in the three social class groups (upper, middle, and lower).

Table I Variables in the Analysis (see Appendix) shows that there are three stages of variables included in each stage of the model. In step 1, 2, and 3, all three numbers Sig. Of F to Remove value are > 0.05. The results of the calculation of Table J (see Appendix) show that in step 0, there is no Sig.F to enter the value of <0.05. Likewise, the calculation results in steps 1 and 2 show the variables coming out of the model in each stage, which until stage 2, there is only 1, namely X3, but finally, in stage 3, nothing is excluded.

Wilks' Lambda (see Appendix) shows the value of the percentage of variance in variables which can explain differences in the division of three groups. In step 1, the lambda value = 0.980; in step 2 = 0.972 and in step 3 = 0.962. This means that >95% of the variance of the variable is not able to explain differences that divide the three social class groups. Until stage 3, the Sig value remains <0.05, and then until stage 3, the independent variables enter the model.

In Table L Eigenvalues (see Appendix), there is a canonical correlation value used to measure the degree of relationship between discriminant results or the amount of variability that can be explained by the independent variables on the dependent variable of social class. The calculation results in Table K Eigenvalues show the Canonical Correlation rate of 0.193. This value is far enough from 1 so that it can be interpreted that the relationship between discriminant values and groups is very low. Likewise, the second function shows a value of 0.028. From this table, the canonical correlation function 1 value of 0.193 is obtained when it is squared = 0.3725, meaning 37.25% of the variance of the independent variable (social class group) can be explained from the discriminant model that is formed. In contrast, the value of the canonical correlation function 2 is extremely small.

Table 8. Wilks' Lambda

Test of Function(s)	Wilks' Lambda	Chi-square	df	Sig.
1 through 2	.962	37.757	6	.000
2	.999	.770	2	.680

Table 8 shows that the Chi-square sig= 37,757 (<0.05) indicates that there is a clear difference between the three social classes, and there are significant differences between the three groups of respondents based on the three independent variables. According to Table M of the Standardized Canonical Discriminate Function (see Appendix), it

can be concluded that the equation or discriminant function is almost the same as the multiple regression function. The equations are as follows:

Zscore= 0.610 X3 (Open-mindedness to credit facilities) (3)
Zscore = -0.746 X4 (Online Buying) (4)
Zscore = 0.602 X5 (Thinking mindset) (5)

Table M. Structure Matrix (see Appendix) shows the order of characteristics that most distinguish social class (Y). In Function 1, Variable X3 is the most distinguished, then X4, followed by X5. The table shows the correlation between the independent variables and the discriminant function formed. Variable X3 has the highest correlation with a correlation value of 0.728.

Table 9. Canonical Discriminant Function Coefficients

Variables	Function	
	1	2
X3	.521	.548
X4	-.658	.450
X5	.572	.060
(Constant)	-.956	-2.890

Unstandardized coefficients

Equation: (1)
D1 = -0.956+0.521X3-0.658X4+0.572 X5
D2 =-2.890+0.548X3+0.450 X4+0.060 X5 (2)

The contribution of each variable can be seen in Table L (see Appendix).

Table O, Functions at Group Centroids (see Appendix) shows there are three different groups: the upper-class group with negative and positive centroids, the middle-class group with negative centroids, and the lower-class group with positive and negative centroids.

The accuracy of the Discriminant Test Function is seen from the changes in social class members. From Table P Classification Results, at the original limit, it can be seen that 4 respondents (20%) remain in the upper class, whereas those who were originally classified as the upper class, move to the middle class (middle) after using the discriminant model are as much as 10 respondents (50%), while 6 respondents move to the lower class (30%). In the middle class, it is seen that 179 respondents (45%) remain in the middle class, while 100 respondents (25%) move to the upper class, and 121 respondents (30%) move to the lower class (lower). In the lower class, 246 respondents (44%) remain in the lower class, 169 (30%) move to the middle class, while the remaining 143 (26%) move to the upper class.

Following the previous process, the following prediction accuracy model will be established:

Prediction accuracy= (4+179+246)/978=0.438 (6)
or 44%

The accuracy of the prediction figure is 44%. This figure is considered moderate, tends to be low, by looking at the cause, because the possibility of movement between social classes is very high.

Table 10. Classification Function Coefficients

Variables	ISP		
	upper	middle	lower
X3	.401	.229	.441
X4	2.545	2.532	2.270
X5	2.761	2.681	2.911
(Constant)	-9.821	-9.130	-9.515

Fisher's linear discriminant functions

Based on the results of Table 10 Classification Function Coefficients, a regression equation can be made as follows:

Classified as upper class:
Z_score=(-9.821+0.401X3)+ 2.545X4+2.761X5 (7)
Classified as middle class:
Z_score=(-9.130+0.229X3)+ 2.532X4+2.681X5 (8)
Classified as lower class:
Z_score=(-9.515+0.441X3)+ 2.270X4+2.911X5 (9)

From the three social class equations, the X5 variable Thinking mindset has the greatest influence on those three social classes. However, if seen from trends in the three social classes, the X3 is stronger in lower social classes. The X4 is stronger in the upper and middle classes. X5 is stronger in the lower classes.

4 DISCUSSION

The results of the study descriptively showed that the lower classes preferred local brands. Kruskal Wallis rank test results also showed that the highest local brand preference is contributed by the lower

social class so that it can be interpreted that the lower social class has a preference over the local brand. From the ANOVA test, it is evident that there are differences in local brand preferences in Indonesian consumer social classes. This result is in line with the research of Candan, Aydm, and Yamamoto (2008), which states that the upper class has less consumer ethnocentrism. In developing countries, consumers generally perceive foreign products to be of higher quality than local products (Ping, Lobo, and Li, 2012).

In general, Indonesian consumers lack the characteristics of Early Adopters. However, from the Kruskal Wallis test, the upper classes tend to be Early Adopters compared to other social classes. These results mean that the upper social class is the social class included in the Early Adopter segment of new products. The prosperous Indonesian consumer class is an attractive consumer group and is ready to experience new products, look for quality, and are ready to pay for it (Durmaz and Taşdemir, 2014). Meanwhile, from the different test results, there was no significant difference between social classes, although the description of the data showed that the upper class tended to be an Early Adopter segment. The results of this study are in accordance with the research of Iqbal and Ismail (2011) that upper-class subjects described themselves as people who are curious and interested in new things, so they try to expand their minds. Consumers of middle to upper income in Indonesia buy new product categories, and they will bring changes to the consumption mix between basic and luxurious products (Ahmed, Khan and Samad, 2016).

The Open-mindedness to Credit Facilities variable has the highest correlation with social class. Descriptively, Indonesian consumers are less open to expressing their relationship with credit facilities. Consumers will answer briefly when asked about financial problems, but overconfident in their ability to manage loans (OECD, 2010). The lower-income class often reacts shamefully when called poor (Al-Modaf, 2002). For consumers, purchasing power or the ability to pay for goods and services is a determinant of the material prosperity of one's lifestyle (Iqbal and Ismail, 2011). However, the results of Anova and discriminant tests rejected the hypothesis that differences exist between Open-mindedness to credit facilities and social classes, or in other words, there was no correlation between Open-mindedness to credit facilities and social classes. The results show that credit facilities and systems are closely related to Indonesian consumers in all social classes, although descriptively, the upper classes have more Open-mindedness about credit facilities than other social classes. Open-mindedness to Credit Facilities is significantly stronger in lower social classes.

The upper social class prefers online purchases, and the test results show that there are differences in online buying preferences between Indonesian consumer social classes. Online buying preferences are related to the social class of Indonesian consumers and are significantly more likely to occur in upper and middle classes. These results support previous results, which stated that online purchases are also in line with the tendency to become Early Adopter consumers. Czarniewski (2014) states that internet access affects the lifestyles of modern consumers because consumers are able to easily access information, products, services, and people in the same interest.

This research also results that there are differences in the Thinking Mindset of Consumption in the social class of Indonesian consumers. Thinking Mindset of Consumption is related to the social class of Indonesian consumers and has the biggest influence on those three social classes. Contrary to the upper social class, the lower class descriptively still tends to have conservative/traditional thinking in consumption and is not an Early Adopter of new products. A significantly more conservative thinking mindset also occurs more strongly in the lower classes. Research by Iqbal and Ismail (2011) shows that the lower classes tend not to plan for the future. In particular, several studies indicate that young consumers from upper social classes may have stronger brand preferences and are more likely to seek information before making decisions compared to lower classes (Durmaz and Taşdemir, 2014).

Based on the accuracy of the prediction figures, the discriminant equation shows 44% and is considered moderate, tends to be low by looking at the cause, which infers the possibility of movement or the mobility of upper, middle and lower social classes is significantly high. Although the Online Buying and Thinking Mindset variables provide differences and interrelationships in the behavior of social class groups, the results of discriminant analysis of the statistical value of F and their significance indicate that the three variables are the same in the three social class groups (upper, middle and lower). The gap between social classes in contemporary society is associated with shifting norms, and social structures consequently will have

an impact on changes in consumer behavior based on social class (Shavitt, Duo, Hyewon, 2016).

5 CLOSING

The results of this study are part of a large study that is concerned about the relationship between social class, consumption, decision-making style, and Indonesian national culture. Specifically, this paper looks at the relationship between social class and postmodern mindset and behavior of Indonesian Consumers based on Social Class. The results of this study are useful for practitioners and academics who observe Indonesian consumers based on social class and specifically their relationship with Local Brand Preferences, Early Adopters, Open-mindedness to credit facilities, Online Buying, and Thinking Mindset. Even though it has been optimally pursued, the limited time of the study has an impact on the tendency of the participating respondents to come from Java and Javanese from middle and lower social classes. However, at the very least, this research contributes to the characteristics of social class in Indonesia and the relationship between Local Brand Preference, Early Adopter, Open-mindedness to credit facilities, Online Buying, and Thinking Mindset. Future studies are expected to continue on the variables of ethnocentrism and postmodern characteristics.

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APPENDIX

Table A. Data of Respondents

Description		Up (%)	Mid (%)	Low (%)	Tot (%)
Social Class		2.0	41	57	100
Gender	Male	1.2	16	27.6	44.8
	Female	0.8	25	29.4	55.2
Age	17-25	0.4	14.2	13.7	28.4
	26-35	0.5	11.2	17.4	29.1
	36-45	0.5	7.3	14.2	22.0
	46-55	0.6	5.7	10.6	16.9
	>55	0.1	2.5	1.1	3.7
Marital Status	Married	1.5	21.5	35.4	58.4
	Unmarried	0.6	19.4	21.6	41.6
Family status	Husband	1.0	9.1	19.6	29.6
	Wife	0.4	11.4	16.0	27.8
	Child	0.5	19.0	20.3	39.7
	Others	0.1	1.3	1.4	2.8
Education	Doctoral	0	0	0.1	0.1
	Specialist	0	0.2	0.2	0.4
	Master	0	0.8	8.8	9.6
	Bachelor	0.1	0.4	0.9	1.4
	Diploma	0.3	5.9	11.1	17.3
	SHC	0.2	2.9	1.2	4.3
	YHC	0.9	23.8	29.9	54.6
	ES	0.6	5.0	3.8	9.5
	Not grad. ES	0	0.1	0.2	0.3
	No education	0	1.7	0.8	2.5
Income	> 38.400.000	0.1	1.0	0.9	2.0
	31.200.001 – 38.400.000	0.2	0.4	0.7	1.3
	24.000.001 – 31.200.000	0.1	1.0	0.8	1.9
	19.200.001 – 24.000.000	0.1	1.2	0.4	4.4

Description		Up (%)	Mid (%)	Low (%)	Tot (%)
	14.400.001 – 19.200.000	0	1.6	0.9	2.5
	9.600.001 – 14.400.000	0.2	3.0	1.2	4.4
	7.200.001 – 9.600.000	0	2.9	1.6	4.5
	4.800.001 – 7.200.000	0.2	7.8	7.0	15.1
	2.400.001 – 4.800.000	0.4	11.9	23	35.3
	≤ 2.400.000	0.7	10.1	20.4	31.2
Occupation	Unemployed	0.3	5.5	24.6	30.5
	Students	0.2	7.0	8.3	15.5
	Retired	0	0.6	0.3	0.9
	Machine operator, unskilled labors	0	0.9	5.9	6.9
	Skilled technician – factory workers, shop attendants	0.1	1.3	1.4	2.9
	Administration staff	0.2	9.2	5.4	14.9
	Teachers, Engineers, freelancer	0.5	7.1	4.2	11.8
	Middle managers, small business owners, mid-level government officials, professionals, police/army officers	0.5	8.0	4.7	13.2
	Upper level executive managers, medium business owners	0.2	0.9	0.8	1.0
	Upper level government officials, executives, big business owners, professionals	0	0.6	0.9	1.5
Prov	Sumatera	0	1	1	2
	Banten	0	1	1	2
	DKI	0	3	2	4
	Jawa Barat	0	2	1	3
	Jawa Tengah	0	1	1	2
	DIY	0	1	1	2
	Jawa Timur	1	22	42	65
	Bali	0	1	1	2
	NTB	0	1	1	1
	NTT	0	0	0	1
	Kalimantan	0	2	2	4
	Sulawesi	0	4	4	9
	Maluku dan Maluku Utara	0	0	0	0

Description		**Up (%)**	**Mid (%)**	**Low (%)**	**Tot (%)**
	Papua	0	2	1	3
Ethnic				Freq	Tot (%)
	Javanese			553	58,1
	Madurese			102	10,7
	Chinese			54	5,67
	Bugis			37	3,89
	Kaili			31	3,26
	Balinese			23	2,42
	Mixed			23	2,42
	Bataknese			16	1,68
	Sundanese			14	1,47
	Banjar			12	1,26
	Minahasa			10	1,05
	Dayak			9	0,95
	Malay			6	0,63
	Makasar			6	0,63
	Betawi			5	0,53
	Manado			5	0,53
	Sasak			5	0,53
	Kei			4	0,42
	Minang			3	0,32
	Aceh			3	0,32
	Others			31	3,26

Table B. Descriptive data for variables

Variables	Social Class	Total	Mean
X1 Preference of Local brand	upper	19	4.0526
	middle	404	3.9431
	lower	560	4.1161
	Total	983	4.0437
X2 Early Adopter	upper	20	2.7500
	middle	404	2.5792
	lower	561	2.5365
	Total	985	2.5584
X3 Open-mindedness to credit facilities	upper	20	2.6000
	middle	401	2.3491
	lower	562	2.5071
	Total	983	2.4446
X4 Online Buying	upper	20	3.3000
	middle	405	3.1852
	lower	562	2.9626
	Total	987	3.0608
X5 Thinking Mindset	upper	20	2.9000
	middle	404	2.7896
	lower	560	3.0982
	Total	984	2.9675

Table C. Test of Homogenity of Variances

Variables	Levene Statistic	df1	df2	Sig.
X1 Preference to Local brand	9.222	2	980	.000
X2 Early Adopter	17.626	2	982	.000
X3 Open-mindedness to credit facilities	2.428	2	980	.089
X4 Online Buying	1.667	2	984	.189
X5 Thinking mindset	.079	2	981	.925

Table D. Group Statistics

ISP		Mean	Std. Deviation	Valid N (listwise)	
				Unweighted	Weighted
upper	X3	2.6000	1.18766	20	20.000
	X4	3.3000	1.12858	20	20.000
	X5	2.9000	1.16529	20	20.000
middle	X3	2.3450	1.12434	400	400.000
	X4	3.1800	1.05374	400	400.000
	X5	2.7875	1.00741	400	400.000
lower	X3	2.5000	1.20256	558	558.000
	X4	2.9606	1.18877	558	558.000
	X5	3.0950	1.07857	558	558.000
Total	X3	2.4387	1.17236	978	978.000
	X4	3.0573	1.13869	978	978.000
	X5	2.9652	1.06148	978	978.000

Table E. Pooled Within-Groups Matrices[a]

		Open-mindedness to credit facilities	Online Buying	Thinking mindset
Covariance	X3	1,360	,643	,147
	X4	,643	1,283	-,078
	X5	,147	-,078	1,094
Correlation	X3	1,000	,487	,121
	X4	,487	1,000	-,066
	X5	,121	-,066	1,000

Table F. Covariance Matrices

ISP		Open-mindedness to credit facilities	Online Buying	Thinking mindset
upper	X3	1.411	.916	.747
	X4	.916	1.274	.611
	X5	.747	.611	1.358
middle	X3	1.264	.514	.159
	X4	.514	1.110	-.019
	X5	.159	-.019	1.015
lower	X3	1.446	.731	.119
	X4	.731	1.413	-.154
	X5	.119	-.154	1.163

Table G. Test Results

Box's M		20.922
F	Approx.	1.689
	df1	12
	df2	1.001E4
	Sig.	.062

Tests null hypothesis of equal population covariance matrices.

Table H. Variables Entered/ Removed[a,b,c,d]

Step	Entered	Wilks' Lambda							
						Exact F			
		Stat	df1	df2	df3	Stat	df1	df2	Sig.
1	X5	.980	1	2	975.0	9.994	2	975.00	.00
2	X4	.972	2	2	975.0	6.918	4	1.948E3	.00
3	X3	.962	3	2	975.0	6.348	6	1.946E3	.00

At each step, the variable that minimizes the overall Wilks' Lambda is entered.

a. Maximum number of steps is 6.

b. Minimum partial F to enter is 3.84.

c. Maximum partial F to remove is 2.71.

d. F level, tolerance, or
. VIN insufficient for further computation

Table I. Variables in the Analysis

Step		Tolerance	F to Remove	Wilks' Lambda
1	X5 Thinking mindset	1.000	9.994	
2	X5 Thinking mindset	.995	9.023	.990
	X4 Online Buying	.995	3.871	.980
3	X5 Thinking mindset	.964	6.414	.975
	X4 Online Buying	.747	7.735	.977
	X3 Open-mindedness to credit facilities	.740	5.161	.972

Table J. Variables Not in the Analysis

Step		Tolerance	Min. Tolerance	F to Enter	Wilks' Lambda
0	X3	1.000	1.000	2.235	.995
	X4	1.000	1.000	4.827	.990
	X5	1.000	1.000	9.994	.980
1	X3	.986	.986	1.315	.977
	X4	.995	.995	3.871	.972
2	X3	.740	.740	5.161	.962

Table K. Wilks' Lambda

Step	Number of Var	Lambda	df1	df2	df3	Exact F			
						Stat	df1	df2	Sig.
1	1	.980	1	2	975	9.9	2	975.00	.000
2	2	.972	2	2	975	6.9	4	1.94E3	.000
3	3	.962	3	2	975	6.3	6	1.94E3	.000

Table L. Eigenvalues

Function	Eigenvalue	% of Variance	Cumulative %	Canonical Correlation
1	.039[a]	98.0	98.0	.193
2	.001[a]	2.0	100.0	.028

First 2 canonical discriminant functions were used in the analysis.

Table M. Standardized Canonical Discriminant Function Coefficients

	Function	
	1	2
X3 Open-mindedness to credit facilities	.610	.642
X4 Online Buying	-.746	.510
X5 Thinking mindset	.602	.063

Table N. Structure Matrix

	Function	
	1	2
X3 Open-mindedness to credit facilities	.728*	.104
X4 Online Buying	.319	.898*
X5 Thinking mindset	-.492	.818*

Pooled within-groups correlations between discriminating variables and standardized canonical discriminant functions

Variables ordered by absolute size of correlation within function.

*. Largest absolute correlation between each variable and any discriminant function

Table O. Functions at Group Centroids

	Function	
ISP	1	2
upper	-.113	.194
middle	-.231	-.007
lower	.170	-.002

Unstandardized canonical discriminant functions evaluated at group means

Table P. Classification Results [b,c]

			Predicted Group Membership			
		ISP	upper	middle	lower	Total
Original	Count	upper	4	10	6	20
		middle	100	179	121	400
		lower	143	169	246	558
		Ungrouped cases	3	1	0	4
	%	upper	20.0	50.0	30.0	100
		middle	25.0	44.8	30.2	100
		lower	25.6	30.3	44.1	100
		Ungrouped cases	75.0	25.0	.0	100
Cross-validated[a]	Count	upper	1	10	9	20
		middle	100	179	121	400
		lower	143	169	246	558
	%	upper	5.0	50.0	45.0	100
		middle	25.0	44.8	30.2	100
		lower	25.6	30.3	44.1	100

a. Cross validation is done only for those cases in the analysis. In cross validation, each case is classified by the functions derived from all cases other than that case.

b. 43,9% of original grouped cases correctly classified.

c. 43,6% of cross-validated grouped cases correctly classified.