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THE 7TH GADJAH MADA INTERNATIONAL CONFERENCE ON ECONOMICS AND BUSINESS

Creative Economy: Trends, Opportunities, and Challenges

Yogyakarta, September 14, 2019

BOARD OF EDITOR

PREFERENCE

Thanks to God, with the almighty grace.

It is our great pleasure and honor to welcome all of you at Universitas Gadjah Mada in the city of culture, Yogyakarta. We would like to extend and specially warm welcome to our distinguished speakers and guests whom have travelled far to be here with us today.

We are delighted to have you here to participate and share your knowledge, experience as well as your research in our 7th Gadjah Mada International Conference on Economics and Business with the main theme for this year is "Creative Economy : Trends, Opportunities And Challenges".

All around the world, creative industries have become an important and growing part of the global economy, operating at the interface of culture, business and technology. With a changing demography dominated by young people and a growing middle class the creative economy is a promising avenue for Indonesia's national economic development.

Therefore, to respond such growth, this annual conference aims to provide a forum for sharing and promoting research in creative economy. Moreover, this conference also aims to facilitate intense and productive networking among academics, policy makers, students and other interested parties.

The conference is designed into two sessions: plenary session and parallel paper presentation. All the speakers will deliver their topic in the plenary sessions. For the parallel session, the participants will be divided into 6 different rooms. According to our record, this conference attends by 179 participants and 35 of them will present their papers. All the participants will be granted to access the market research database from Euromonitor for 30 days.

On behalf of the committee organizer, we would like to offer our sincere thanks and gratitude to everyone, especially for all the committee members, without whom this would not have been possible.

We sincerely hope that these proceedings and the conference in particular will grant benefits to all of the participants and also the readers. Especially as a reference for further Economics and Business development in Indonesia and all over the world. We welcome and will receive any suggestions and constructive feedback to improve the organizing strategy for the betterment and development of Gadjah Mada International Conference of Economics and Business conferences and proceedings. We look forward to see you again in our next event.

Yogyakarta, 14 September 2019
The 7th GAMAICEB Committee

CONTENTS

Optimization of Sales in Small and Medium Industries through E-Commerce Technology

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ABSTRACT

Introduction / Main Objectives: The purpose of this study is to find out whether e-commerce technology can influence sales optimization in the Small and Medium Industries. **Background Problems:** Problems that are often faced by Small and Medium Industries are marketing because as good as any product that is produced if it cannot market it well it will have an impact on the sustainability of the company therefore marketing can be said to be the spearhead of the company. The lack of knowledge of Small and Medium Industry entrepreneurs in the marketing sector can have a fatal impact on the progress of the company in order to survive in increasingly fierce competition. **Novelty:** to find out how optimal the use of e-commerce technology can increase the value of sales in Small and Medium Industries in terms of the number of buyers, prices, order cancellations, promos and complaints, whereas in previous studies only wanted to know that sales by using e-commerce technology can increase sales volume and expand the marketing area. **Research Methods:** used is a quantitative research method with a comparative design to directly compare sales variables in Small and Medium Industries and those using e- commerce technology in marketing their products. The population in this study was Small and Medium Industries in the food sector that were enrolled in the grab and motorcycle application as many as 2,230 IKM. The sampling technique used is Simple Random Sampling using the Slovin formula to obtain a sample of 96 respondents. Data analysis used the Wilcoxon test. **Finding / Results:** show that the value of sales to buyers who use grab and gojek applications is higher than buyers who come directly. **Conclusion:** E-commerce technology can help Small and Medium Industry players to increase sales value because it can reach a wider market share, and sometimes buyers who are lazy to come directly to where sellers can order food from their home or workplace so that the number of sales can increase.

Keywords: Optimization, Sales, Small and Medium Industries
JEL Classification: O3, M3

What Determines Female Labor Force In Malaysia? An ARDL Bounds Testing Approach

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ABSTRACT

Introduction/Main Objectives: This paper analyze the determinants of female labor force participation rate and how it contributes to the development of Malaysia. In Malaysia, women make tangible contributions to national development. The increase in female labor force participation has helped to improve employment, thus contributing to this country's economic growth. Women in this country also continue to receive equal access to educational opportunities and contribute to their economics and scoial enhancement. However, the increase in fertility rate also has led to a reduction in female labor force in Malaysia. In this study we want to know how fertility influence female labor force in Malaysia. **Research Methods:** In this paper we investigate the existence of a long-run relationship between female labor force participation, total fertility rate, and type of level education using the bounds test procedure within an Autoregressive Distributed Lagged (ARDL) approach, developed by Pesaran, Shin, and Smith (2001)**. Finding/Results:** Female labour force has a long run relationship with fertility rate, income, secondary level and urbanization in Malaysia. In the short run, fertility is positively significant to female labor force. However, in the long run the fertility rate is negatively related to the female labor force in Malaysia. Increasing years of education and work experience are significantly positively related to female labor force in Malaysia, indicating that higher education or having more experience raises the probability of participation. **Conclusion:** In the long run it shows that there exists some limitations. For instance the cost of having children is increasing with the number of children. Women need to pay higher cost of child care for more children, influenced them to have small number of children.

Keywords: Female labor force, fertility rate, ARDL, Malaysia
JEL Classification:

Information Acceptance Model: A Replication in the Context of a Single Platform Visual WOM

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ABSTRACT

Introduction/Main Objectives: This study seeks to reexamine information acceptance model in the specific context of Visual Word of Mouth (VWOM) on the YouTube platform. **Background Problems:** the still rare electronic word of mouth research on video bases on modern social media platforms in the midst of the many types of text-based EWOM research. **Novelty:** Specific retesting of information acceptance models on EWOM visuals on modern social media platform. **Research Methods:** Quantitative research, through structural equation model (SEM), based on online surveys, on YouTube viewers in the Jakarta and surrounding areas. **Finding/Results:** reconfirmation of the majority of hypotheses, except for the impact of the exogenous variable information credibility and attitude toward information. **Conclusion:** reconfirm the role of exogenous variable information quality and need of information, as well as an alternative explanation of the role of exogenous variable information credibility and attitude toward information.

Keywords: E-WOM, Information Usefulness, Information Adoption, Purchase Intention
JEL Classification: M31, M37, L82, D83

Truth Inducing Vs Slack Inducing Paradox:

The Role of Compensation Scheme in Mitigating the Impact of Social Pressure on Creation of Budgetary Slack

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ABSTRACT

Introduction / Main Objectives: This research aims to examine the role of the compensation scheme in mitigating the negative impact of social pressure on the creation of budgetary slack. **Background Problems:** Social pressure is a driving factor for the creation of budgetary slack in the participative budgeting process. Research related to the difference in influence between obedience and Peer Pressure on the creation of budgetary slack is still limited. **Novelty:** This research seeks to compare the difference of influence between obedience pressure and peer pressure on the tendency to create budgetary slack. Existing research is still limited to obedience pressure testing. This research also contributes by examining the role of truth inducing compensation scheme and slack inducing in order to mitigate the budgetary slack. **Research Methods:** This research was an experimental study with a 2x2 factorial design among subjects to 56 undergraduate accounting students. Social pressure is divided into two treatments, Obedience Pressure, and Peer Pressure. Meanwhile, the compensation scheme used in this research is truth inducing and slack inducing. **Finding / Results:** The results of the research show that obedience pressure tends to encourage individuals to do budgetary slack compared to while they experience pressure from the peer (H1). Another finding for this research is the tendency of individuals to do budgetary slack tends to be lower when they accept the slack inducing compensation mechanism compared to truth inducing (H2). However, this research did not succeed in obtaining support for the interaction between the compensation scheme on the effect of social pressure on budgetary slack (H3). **Conclusion:** The results of this research indicate that a slack inducing compensation scheme is better used than truth inducing in mitigating the creation of budgetary slack. This is because of the different level of lower risk faced by the individual, especially in the absence of fines or sanctions if the budget target is not reached. This research has theoretical implications which explain the compensation schemes methods to mitigate the phenomenon of budgetary slack through the perspective of expectancy theory. Research provides practical implications that when individuals get stressed, compensation schemes are less effective in minimizing the effect of social pressure on the creation of budgetary slack. Apart from any compensation, the moral framework and personal values are the most effective and efficient controls for the behavior of self-interest that should not be ignored by economists and accountants.

Keywords: Budgetary Slack, Obedience Pressure, Peer Pressure, Truth Inducing, Slack Inducing.
JEL Classification: D13, I31, J22, K31

Why Don't People Lie? The Role of Moral Reasoning in Mitigating Negative Effect of Social Pressure on Budgetary Slack In The Frame of *Psychological Reactance Theory*

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ABSTRACT

Introduction/Main Objectives: This study aims to support the role of moral reasoning in mitigating the negative impact of social pressure on budgetary slack. **Background Problems:** Social pressure causes individuals to behave in ways that deviate from their beliefs, and the values they embrace because there are controls from other individuals. There have been a number of efforts made to reduce the occurrence of budgetary slack, but some researches related to social pressure have not considered the existence of differences in the level of individual cognitive moral reasoning. **Novelty:** This research contributes by examining the role of moral reasoning in order to mitigate the negative impact of social pressure on the budgetary slack creation. Our research use Psychological Reactance Theory to answer why people can ignore the pressure that can't explained by Social Pressure Influence Theory. **Research Methods:** This research was an experimental study with 2x2 factorial design among subjects to 70 undergraduate accounting students. Social pressure is divided into two treatments, High Social Pressure and Low Social Pressure. In other hand, moral reasoning was measured using the Defining Issues Test (DIT) instrument to be further divided into high moral reasoning and low moral reasoning. **Finding/Results:** The results showed that budgetary slack tends to be higher when individuals experience high social pressure than low social pressure (H1). The budgetary slack is also found to be higher in individuals who have low moral reasoning than high moral reasoning (H2A). In addition, the budgetary slack is proven to be higher in individuals who receive social pressure and have lower moral reasoning than individuals who receive low social pressure and have high moral reasoning (H2B). **Conclusion:** Moral reasoning is proven to play an important role in the budget decision making process, especially in eliminating the creation of budgetary slack. The social pressure experienced by individuals creates different ethical dilemmas for each individual depended on the level of moral reasoning they have, so that influences the decisions taken. The results of this study also show that the moral reasoning and personal value framework are the most effective and efficient controls in behavioral accounting that should not be ignored by economists and accountants.

Keywords: Budgetary Slack, Social Pressure, Moral Reasoning, Psychological Reactance Theory.
JEL Classification: D13, I31, J22, K31

Understanding Indonesian Travelers' Intention to Stay at Green Hotel

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ABSTRACT

Introduction/Main Objectives: This research is conducted to measure the travelers' intention to stay at a green hotel while visiting Daerah Istimewa Yogyakarta based on their values, beliefs, norms, and trust. **Background Problems:** The increasing number of green consumerism makes the consumers more critical of the hotel's green practices, especially when it is hard to verify and when costs motives take precedence over environmental sustainability issues. **Novelty:** The topic in this research is then discussed based on Value-Belief-Norm Theory, which is still quite under-researched compared to the previous theory explaining green marketing on the consumer level, such as Theory of Reasoned Action and Theory of Planned Behavior. To capture the larger variants associated with travelers' intentions to stay at green hotels, a green trust variable was added to the model. **Research Methods:** Samples are 305 Indonesian local tourists who had visited Daerah Istimewa Yogyakarta within the past year. The Covariance-Based Structural Equation Modeling (CB-SEM) was applied in testing the hypotheses. **Finding/Results:** The findings show that the relationship between the three types of values and awareness of consequences were supported, except the biospheric value. Other findings showed that green trust has an important role in predicting consumers' intentions to stay at a green hotel. **Conclusion:** With the uniqueness of Indonesian tourists' characteristics, the altruistic values will lead them to the awareness about environmental problems that might be arises as a result of their tourism activities. Besides the values, beliefs, and norms, the intention to stay at green hotels also predicted by the tourists' trust in the hotels' green concepts. To convince consumers that the green concepts implemented by hotels can be proven and meet their expectations, it is important for the managers to convey information to the consumers regarding their green practices to prevent consumers' skepticism.

Keywords: Green hotel_1, value-belief-norm theory_2, green trust_3, covariance-based SEM_4, intention to stay_5.
JEL Classification: M310, Q5

Social Capital and Happiness in Indonesia

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ABSTRACT

Introduction/Main Objectives: The impact of development is often seen at the aggregate level which prioritizes material aspects as a measure of achievement. Material aspects have not been able to describe the overall welfare condition. Happiness is an alternative indicator to complement existing welfare indicators. Studies of happiness are growing very rapidly. Some studies suggest a positive relationship between social capital and individual happiness and those studies applied in develop countries. This kind of studies is still very rare in developing countries including Indonesia. **Background Problems:** What is the effect of social capital on individual happiness in Indonesia? **Novelty:** Examine determinant of happiness using several dimensions of social capital in once, namely trust, information channel, and civic engagement, especially political participation. In addition, the estimation also takes into account other social demographic factors. **Research Methods:** Logistic model was used to analyzed the effect by utilizing the data IFLS (Indonesia Family Life Survey) 2014. **Finding/Results:** Trust, information channels, and political participation have a significant effect on individual happiness in Indonesia. The trust of individuals to entrust their children to neighbors within a few hours if it is not possible to take the child away and social gathering (arisan,) have a positive effect on individual happiness. Participating in the last presidential election in urban also have a positive effect on happiness but negative effect happened in the rural area. Based on the residence, the effect of social capital on happiness in the rural area tend to higher than people in the urban area. **Conclusion:** A positive correlation between social capital and happiness may suggest that public policies toward increasing social capital both at the individual and aggregate level may have complementary effects on raising individual happiness. It is important to support the government's efforts in improving the community's happiness which in turn can encourages development policies effectiveness.

Keywords: Happiness, Social Capital, IFLS, Indonesia. Logistic Model
JEL Classification: I31, A13, C35

Customer Loyalty Establishment Model through Corporate Social Responsibility (CSR) Program in Timor Leste

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ABSTRACT

Introduction/Main Objectives: This study aimed to analyze customer loyalty based on Corporate Social Responsibility (CSR) as companies' commitment in Timor Leste (Social Care Based Loyalty). The research model was developed through research variables to fill research existing gap between CSR and Loyalty by customer trust mediation; country of origin and social demographic as moderating variable. **Background Problems:** there are many Comepany in Timor Leste didn't commit implement CSR seriously. So how to establish CSR-based Customer Loyalty in a new and developing country in Timor Leste? **Novelty:** The research used Social Care Based Loyalty concept to solve research quesion. Customer loyalty establishment model is new developed by customer trust mediation, country of origin and social demographic as moderating variable. **Research Methods:** Research approach used quantitative approach. Data was collected by survey questionaire methods for domestic and foreign companies customers in Timor Leste. This research used quota sampling to obtain 320 customer as data observation. SEM analysis was used to process analyze the data through running SmartPLS 3.2.8 for Professional application for hypotesis testing. **Finding/Results:** The finding presented that Social Care Based Loyalty concept is proven. CSR program is based by company value (H1 is accepted), country of origin moderate the relationship beetween CSR program to customer trust (H2 is accepted), social demographic does not moderate the relationship beetween CSR program to customer trust (H3 is rejectted) and customer trust mediate the relationship beetween CSR program to customer loyalty.**Conclusion:** This research is indicated by the company's values which underlie CSR implementation; country of origin moderate the relationship CSR for loyalty establishment and customer trust abled to mediate CSR in order to increase customers loyalty of domestic and foreign companies in Timor Leste.

Keywords: Customer Loyalty, Corporate Social Responsibility, Social Care Based Loyalty, Customer Trust, Country of Origin, Social Demography.
JEL Classification: D13, I31, J22, K31

Branding Halal Food: A Case Study of Japanese Company on the Process for Determining Corporate Visual Identity

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ABSTRACT

Introduction: In the past five years the interest of halal food market has grown rapidly, especially in non-Muslim majority countries. Accordingly, business organizations are also responding the rise of middle-class travelers with their dietary restrictions through seeking halal certification process. **Background Problems**: The transformation of businesses that mainly in the service industry are not without challenges. Many struggling in serving halal food for limited number of religious customers, although they have paid high price during the process for obtaining certificate. At the same time, among successful suppliers in the market, marketing plays important roles. Beginning with the Japanese anthropologists who question the symbol of religious compliance standard for business in public space, subsequently, it is also followed by business organizations and the local government. Especially among business organizations, they are concerning with market segmentation issues. In which, focusing on the new targeted religious consumer in company branding will result in loosing broader targeted groups. **Novelty:** This research attempts to engage in such discussion by following company visual identity making process in mediating two different targeted groups, religious and non-religious consumers. **Research Methods:** Using qualitative method, this research approach employs the case study research procedure. After conducted a year in ethnography study of halal food market in Kyoto prefecture, the ethnography process produces information in a specific case within the research field. The presented company in this paper also rebrand its company visual identity for mediating two market segments. **Finding/Results:** The presented company of this research aims to gain attention from those targeted groups by focusing on the visual identity that stresses on the importance of community belongingness, shared values and the rootedness of products in the eyes of customers. Furthermore, the process of creating visual identity is through several phases:1) *Situational analysis*, 2) *choosing alternatives and testing the options* and 3) *launching*. **Conclusion:** Based on such information, this research also draws the importance of considering the customer perception to influence their purchasing intention on the brand.

Keywords: Corporate visual identity, branding, religious and non-religious consumers, halal food.

"The Determinants of Tax Haven Utilization": Empirical Study on Companies Registered in Indonesia Stock Exchange

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ABSTRACT

Introduction/Main Objectives: This paper examines the major determinants of tax haven utilization for companies listed on the Indonesia Stock Exchange (IDX). Tax avoidance scheme using tax haven country was revealed through leaking of Panama Paper and proven by more than US $ 331 billion of Indonesian assets placed in tax-haven country. In order to increase supervision and assess tax haven utilization by the company, research is needed to determine the most dominant factor affecting tax haven utilization. **Background Problems**: Directorate General of Taxes through Automatic Exchange of Information (AEoI) rule, actually has formulated the list of information that can be obtained from the AEoI rule to prevent tax haven utilization. However, it just limited to the identity of financial account holder and without risk prioritize. **Novelty:** Richardson et al. through his journal, "Determinants of Tax Haven Utilization: The Evidence of Australian Firms" has studied the determinants in financial reports to identify how a company uses tax haven country. Whilst, in Indonesia there has been no similar research related to it. **Research Methods:** Analysis is based on samples of 230 Indonesian firms which listed in IDX over 2011-2015 period (1150 firm-year). Tax haven utilization will be measured in three model approaches including THAV 1, THAV 2, THAV 3 and four geographic domain approaches THAV 4, THAV 5, THAV 6, and THAV 7. All models will be processed by binary logit regression, except for THAV 3 will be processed using panel data regression. **Finding/Results:** Regression results show that Remuneration of Key Management Personel, Multinationality, and Corporate Governance Structure have a significant effect on tax haven utilization. However, Transfer Pricing Aggressiveness, Intangible Asset, interaction between Transfer Pricing Aggressiveness and Intangible Asset, and Withholding Tax do not affect the tax haven utilization. **Conclusion:** Considering to the limited resources in DGT, this research will be valuable for DGT to prioritize risk related with tax haven utilization.

Keywords: tax haven, taxation, multinational firm, FDI
JEL classification: H260, H200, F230, F210

Does Relationship Pattern Between Corruption And Economic Development Resemble The Kuznets Curve?

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ABSTRACT

Introduction/Main Objectives: This study tries to explore the accurate relationship pattern between corruption and the level of economic development and aims to enrich the existing literature of the relationship between them. **Background Problems:** A considerable amount of the previous studies have been conducted to find the determinant and the impacts of corruption, but the examination on the relationship pattern between corruption and the level of development is still rare. The majority of the earlier studies identified that both variables are significantly associated, but most research assumes that the relationship is linear. Thus, this study interested in seeking the true relationship pattern between the corruption and the level of development, whether the relationship is linear or non-linear and how is the relationship pattern looks. **Novelty:** This study found empirical evidence of the non-linear relationship between income per-capita and corruption, and the relationship pattern between them resembles the renowned Kuznets Curve (inverse U-shape curve). **Research Methods:** The estimation method in this paper is Generalized Method of Moment (GMM) model and employ the extensive data set that covers 145 countries or more than 80 percent of the total countries in the world. **Finding/Results:** This study found that in the early stage of development, where countries have a low level of income, they at the same time experience high level of corruption (lower corruption index) and as the income increase due to the development progress, the corruption index is also improved, and as the countries achieved a high level of income, the corruption index tend to descend. **Conclusion:** As the findings, the corruption level getting lower as the income grows. Thus, combating corruption is an integral part of the strategies to boost economic growth, and eradicating corruption is a precondition to achieve high and sustainable economic growth. Furthermore, since corruption also emerge in the high-income economies, this suggests that strengthening the institutional development is still important in high-income economies.

Keywords: Corruption, Economic Development, Kuznets Curve, GMM.

Transforming Interaction into Co-Creation: Future Research Agenda in the Context of Peer-To-Peer Accommodation

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ABSTRACT

Introduction/Main Objectives: The sharing economy refers to social and economic sharing activities that makes actors (customer and peer provider) in servive ecosystem can access services through technology or online platform. To give better understanding of activities and interaction between actors that potentially can elevate the existence of peer-to-peer (P2P) accommodation in Indonesia. Although research regarding sharing economy has been accelerating, there has not been a formal conceptualization of interaction from a broadening perspective as a service ecosystem in the context of co-creation. This preliminary study becomes important and relevant to the phenomenon of sharing economy, considering not too much research that discusses the uniqueness and dynamics of interaction that occurs using a perspective of service-dominant logic (S-D Logic). **Background Problems:** This study seeks to answer two research questions, what interactions occur outside the three main actors (consumer, peer service providers, service platforms) and how co-creation might be created in the P2P service ecosystem. **Novelty:** This conceptual paper draws on service-dominant logic and structuration the interaction in the perspective of co-creation between actors and stakeholders as a lenses by using systematic-qualitative approach. **Research Methods:** In general this study uses the Soft System Methodology (SSM) research design precisely is the first stage that is defining an unstructured situation. **Finding/Results:** This study try to initiate a new spectrum of interaction between actors involving customers, peer service providers, platform providers, and other entities in the service ecosystem. **Conclusion:** Interactions between actors can be explored by creating co-creation framework to explore more about engagement between actors in the service ecosystem.

Keywords: sharing economy, service-dominant logic, service ecosystem, interaction
JEL Classification: O31, O32, O33, M00

Correlation between Product Packaging and Purchase Intention from Neuromarketing Perspective
Case Study: Social Enterprise in Cireundeu

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ABSTRACT

Introduction/Main Objectives: The topics discussed in this paper are related to product packaging design and purchase intention in the enterprise social context. This conceptual paper explores the correlation between product packaging design and customer purchase intention with neuromarketing approach. **Background Problems**: The main purpose of social entrepreneurship is solving social problems through business approach. One of the critical aspects in keeping sustainability of social enterprises is effective marketing. The previous study found that product packaging design has a positive impact on effectiveness of marketing (such as awareness, purchase intention, brand recall, etc.). However, the previous studies only discussed product packaging in retail industries. **Novelty:** The uniqueness of this research is the use of neuromarketing principles in designing product packaging and the context that will be discussed is social enterprise. It is considered that the use of neuromarketing approach can reduce the bias that arises in traditional research studies, resulting in a potential increase in effectiveness and efficiency. In this research, we discuss a study case of Cireundeu social enterprise. **Research Methods**: The methods that will be used is mix methods consist of qualitative methods, experimental design, and quantitative methods. Qualitative data is obtained through literature review and interview, then the data will be used as a guidance for designing product packaging. The principle of neuromarketing that will be discussed in this study is eye tracking study using heat maps. Whereas the data obtained from experiment design and quantitative research will be used to test the relationship between product packaging and purchase intention. **Finding/Results:** Based on the initial observations it was alleged that a product packaging redesign would increase purchase intention. A new packaging design had been resulted based on the social heritage of Kampung Adat Cireundeu. This paper will discuss the elements contained in product packaging and how the application of the principles of neuromarketing to these elements. **Conclusion:** This paper had produced a new packaging design as output of the first phase of the implementation of neuromarketing principle in Social Enterprise product. Thus, the experiment and post questionnaire shall be conducted very soon. Another future potential research is also proposed in this research.

Keywords: design, product packaging, neuromarketing, purchase intention, social enterprise
JEL Classification: M31, L31, L66

Mapping the Conceptual Structure of Employee Green Behavior by Co-Word Analysis

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ABSTRACT

Introduction/Main Objectives: Environmental sustainability become an important issues in the recent years since the negative impact of climate change is almost everywhere. Employee green behavior is an important topic for maintaining environmental sustainability as well as tackling the negative impact of climate change, but this topic is still under-researched. The objectives of this study are to analyze the knowledge or conceptual structure of employee green behavior and to identify the main and emerging topics of the field as well as the evolution of related topics. **Background Problems:** There are limited research that present reviews of the literature on this topic despite its importance to provide the map of conceptual structure to find out the knowledge on topic and to identify the gaps in research. **Novelty:** This study will be among the first to use bibliometric methods namely co-word analysis to identify the main themes or topics on employee green behavior. **Research Methods:** The data used in this study is extracted from Scopus database to obtain bibliographical records related to the field of employee green behavior from 2012 to 2019. Co-word analysis is used to analyze the research status of employee green behavior. This method explores the relationship among keywords by looking at the co-occurrence of pairs of keywords. It can also prevent the subjective evaluation of literature reviews and provide the conceptual structure of knowledge that directly extracted from the documents, not the intellectual base. **Finding/Results:** The finding showed that there were 781 articles related to employee green behavior. There were 43 high-frequency keywords which divided into six clusters: "environmental sustainability and performance", "integrated management system", "iso 14001 and iso 14001 certification", "environmental policy and sustainable development", "cleaner production" and "corporate sustainability". Furthermore, the research status of employee green behavior is more focus on the determinants of employee green behavior and how these behavior contribute to environmental sustainability. **Conclusion:** Based on these findings, agenda for future research were also proposed to provide an informative route map for further research regarding employee green behavior.

Keywords: employee green behavior, co-word analysis, cluster analysis
JEL Classification: M12, M14, Q50, Q56

Convenience Store Performance Measurement by Considering Product Categories Efficiency Based on Benchmarking and Supervised Machine Learning

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ABSTRACT

Introduction/Main Objectives: Convenience stores have recently been a trend place of daily necessities shopping for Indonesians. This condition encourages the growth of convenience store's numbers and forces management to improve its performance in order to face tight business competition. In relation to this, the concept of benchmarking through Data Envelopment Analysis (DEA) is one of the well-known method used to measure company's efficiency that can be utilized to measure firm performance. **Background Problems:** However, DEA has limitation in handling large amounts of data, but supervised machine learning technique can be used as an alternative method to overcome it. **Novelty:** This paper provide an integrated model that applies DEA method and SVM algorithm to measure overall performance of convenience store by considering the efficiency of various product categories. Furthermore, this study is the first paper that utilizes DEA and SVM algorithm for measuring performance of stand-alone convenience store by considering the efficiency of various product categories. **Research Methods:** the proposed approach has several steps. First step, grouping product categories into the efficient and the inefficient according efficiency score computed by DEA. Second step, using the score as a new feature introduced to the data set to train the SVM model through K-Fold 5 cross validation, then predict the efficiency score based on the test set. The final step, evaluating the number of efficient and inefficient product categories to determine the performance of convenience store. **Finding/Results:** This present research indicates that local convenience store has relatively optimal performance. This is evidenced by the fact that there are only 10 product categories that consistently inefficient, and 5 product categories that generally inefficient during the study period, or around 39.4% of the total 38 product categories, while 23 other product categories relatively efficient. **Conclusion:** Based on present research can be concluded, the proposed method has been successfully established and proven valid in predicting efficiency of products category to measure convenience store performance. In addition, the results shows that the model can achieve high accuracy in predicting efficiency scores for each product category.

Keywords: performance, convenience store, efficiency, DEA, SVM
JEL Classification: C50, C80, C40, C30

The Influence of Supplementary Service in Information Process towards Customer Satisfaction in SME Branding Industry

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ABSTRACT

Introduction/Main Objectives: It is imperative for SME Branding to evaluate customer satisfaction through service quality, to strengthen the business and create positive WOM. Even with their restraints of limited resources, lack of expertise and limited influence. This research uses the information process aspect of supplementary services in Flower of Service theory. That more suitable with the condition of SME in this industry to find out the most influential aspect to increase customer satisfaction. This research can be utilized to support the growth of SME branding in Indonesia. **Novelty:** The dimension of SME Brand and Design Industry services towards customer satisfaction cannot be evaluated with SERVQUAL because of the limitation of the availability of services dimension itself. **Research Methods:** The researcher using a quantitative approach with MLR analysis by distributed questionnaire for 239 business owner have ever utilized the branding service to evaluate the aspect of information process that influences customer satisfaction using the Flower of Service Theory. The hypothesis and measurements for each variable based on previous research "The Flower of Service Concept and Its Influence on the Customer Satisfaction: Case Study of Jordanian Private Hospital" that adjusted with SME Branding and Design. **Finding/Results:** The results from the data that has been analyzed indicates that the dimensions of supplementary service in information process based on the flower of service theory which has the most significant influence towards customer satisfaction are information, billing, and payment for SME Branding House industries. Billing has the most substantial impact on customer satisfaction. **Conclusion:** It can utilize to prioritize and provide the better supplementary service of billing and payment to increase customer satisfaction. Especially, the main customers of SME

Branding House industry are SME business owners who have limited source to build their businesses because they are still developing.

Keywords: Service Management, Flower of Service, Customer Satisfaction, Small and Medium Enterprise, Branding and Design Industry
JEL Classification: K31

Obesity Kuznets Curve: Evidence from Malaysia

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ABSTRACT

Introduction/Main Objectives: Malaysia experiences rapid transformation in terms of migration, land and growth which contributes to the development of urbanized areas in this country. The urbanization process in Malaysia was accelerated by the growth in income per capita. Although higher income improves the well-being of the society, it also presents many challenges such as increases of pollution, domestic crime and health problems such as obesity. Thus, this paper aims to examine the relationship between urbanization and socio-economic factors and prevalence of obesity. **Background Problems:** Given the argument that various factors contribute to higher prevalence of obesity across countries, income per capita and urbanization can also be considered as the main determinants. Coupled with higher income, urbanization tend to influence the society to live a sedentary life as everything (for example: food, transportation, communication) is just one click away. **Novelty:** Overweight and obesity issue is commonly discussed from medical point of view. However, it should also be discussed and analyzed economically as the economic cost of obesity cannot be overlooked. **Research Methods:** Using the Autoregressive Distributed Lagged (ARDL) cointegration approach, we analyze the relationship during the period from 1982 to 2016 for Malaysia. The method enables us to determine the short-run and long-run relationship between the variables. **Finding/Results:** The main results show that, urbanization and income inequality are significantly related to obesity. In addition, there is an evidence of obesity Kuznets curve which prove that the relationship between obesity and Malaysia's income per capita is non-linear. **Conclusion:** The findings offer policy recommendation related to the health of the society. As income is one of the driving factors of obesity, there is a need to revise wage opportunities to reduce obesity. The government should also target urban population when implementing health policies specifically in terms of life-style and eating habits.

Keywords: Obesity, Kuznets Curve, Malaysia, ARDL
JEL Classification: I15, O11

On the Optimal Strategy for the Hedge Fund Manager: An Experimental Investigation

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ABSTRACT

Introduction/Main Objectives: This paper examines the empirical validity of Nicolosi's model (2018) which investigates the optimal strategy for a hedge fund manager under a specific payment contract which is arbitrarily set by the investor. **Background Problems:** The manager maximises his or her expected utility from the payment contract, given the investment funds, hence choosing the optimal strategy in his or her investment allocation. The model assumes a Black-Scholes setting with the asset price following standard geometric Brownian motion and that the manager is strictly risk averse. The optimal strategy is dynamic portfolio choice decisions that maximises the manager's expected utility at maturity. The implication of this optimal strategy is that the manager should not hold a high allocation in the asset when his or her portfolio is above the benchmark. Meanwhile the manager should allocate his or her portfolio to the asset when his or her portfolio value is lower than that of the benchmark. Following this strategy helps the manager to end up with the maximum utility. **Novelty:** I experimentally test this model to investigate how close the actual behaviour is to the optimal strategy given the estimated risk aversion. This study is the first to empirically examine Nicolosi's model using a controlled lab-experiment. I compare the actual behaviour with other possible strategies to check the empirical validity of Nicolosi's model. **Findings/Results:** The results show that the subjects in the experiment did not randomise their choice and the model receives strong empirical support for explaining the subjects' behaviour, though not all of the subjects follow Nicolosi's model. **Conclusion:** Having said this, it seems that the subjects somehow follow the intuitive prediction of Nicolosi's model in which the decision-maker responds to the difference between the managed portfolio and the benchmark to determine the portfolio allocation. Further task of course is necessary to better explain the subjects' behaviour by modelling the subjects' choice.

Keywords: fund manager, portfolio strategy, laboratory experiment
JEL Classification: G11, C91

Parents' Smoking Behavior and Education: How Do They Influence Child Morbidity in Eastern Indonesia?

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ABSTRACT

Introduction/Main Objectives: Well-educated parents must be good at taking care of their children and also maintaining their health. Provinces in Eastern Indonesia has the lowest percentage in the implementation of non-smoking areas (Kawasan Tanpa Rokok / KTR). In this study, we will assess the level of morbidity that focuses on respiratory disease, namely coughing and breathless in children. In addition, this study also analyzed the education and parent's smoking behavior that focused in Eastern Indonesia. **Background Problems**: This study analyzes child morbidity according to several affecting factors. **Novelty:** The new thing in this study that has not been done by other researchers is observing the morbidity that can cause ARI symptoms in children in eastern Indonesia with a focus on the background of parents. In addition, this research can indirectly explain that smoking can have an impact on children's morbidity. **Research Methods:** This study uses cross-sectional data collected from Indonesia Family Life Survey (IFLS) East 2012 and the analysis will use logistics regression. **Finding/Results:** Findings in this study parents' education, children's age, health service availability and domicile area significantly influenced child morbidity**. Conclusion:** Fathers' education played a crucial role, as the higher their education, the lower their children's morbidity. Besides, we also found out that parents' smoking habit, child's immunization status, sex, and health insurance ownership did not significantly influence child morbidity.

Keywords: Child, Morbidity, Education, Parent's Smoking Behavior, Eastern Indonesia
JEL Classification: D1, I12, I15

Challenge in Developing SMEs HR Capabilities: A Review of Current Millennial's Generation Preferences in Managing Their Business

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ABSTRACT

Introduction/Main Objectives: There is a trend of small and medium enterprises (SMEs) that are increasing rapidly across Indonesia, but most of them are lacking in the Human Resources (HR) capabilities. **Background Problems:** A fact that more than one-quarter of SMEs player identified in Indonesia are managed by the millennial generation. Unfortunately, there are several major problems resulting from lack of awareness of HRM system preparation making the business vulnerable. **Novelty:** Looking at this fact, this article tries to identifying and highlighting the current challenges faces by the SMEs, especially East Java SMEs in sustaining their business in the light of human resources management (HRM) which is rarely discussed. **Research Methods:** Using qualitative approach, this article based on secondary data from Indonesia's National Agency of Statistics and focus group discussion (FGD) conducted in several cities in East Java as the main source of primary data using thematic analysis. **Finding/Results:** The finding is human resources planning as well as human resource maintaining (HR development) play an important role in order to make the millennial SME business to sustain and the importance of using technology such as HR software for developing business. **Conclusion:** Acknowledging the Indonesian millennial SMEs potentiality, these three important HRM themes are critical to be accommodated were in turn to potentiality attract a high level of human capital. This could be done together with the relevant stakeholders, government agencies in promoting fundamental aspect for the creation of human capital through SMEs managed by millennials.

Keywords: HR Capabilities, Millenial, SMEs
JEL Classification: J24

An Examination of Income Inequality, Macroeconomics and Monetary Nexus in Indonesia: Panel SVAR Model

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ABSTRACT

Introduction/Main Objectives: Recent research lacks attention paid to analyze the relationship between income inequality, macroeconomic and monetary theoretically and empirically, especially in Indonesia, where income inequality remains a controversial issue in the context of macroeconomic conditions that are evolving in output and government spending, and its increase in consumption accompanied by Inflation and slower credit. **Background Problems:** The problem studied in this paper is extends the literature to fill the gap in the relationship between income inequality, macroeconomics and monetary in Indonesia. The research questions are: 1) Is there a relationship between macroeconomic variables? 2) Is there a relationship between macroeconomic and monetary variables? 3) Is there a relationship between macroeconomic variables and income inequality? 4) Is there a relationship between monetary variables and income inequality? **Novelty:** This study examined the nexus between income inequality, macroeconomics and monetary, through a comprehensive theoretical model that has multi-structural equations, which is an extension of Kuznets basic theory and other theoretical models. **Research Methods:** This study adopts a broad theoretical model and applied the panel structural vector autoregression model. The sample period used in this study covers the data from 2005 to 2017. Data for 33 Indonesian provinces were analyzed. **Finding/Results:** The results revealed that there is exist positive nexus between output and inflation. There exists also a significant relationship between output and income inequality thus consistent with a theory of the nexus between economic growth and income inequality. The study further shows a positive nexus between inflation and income inequality. This finding is consistent with the view that families with low income are exposed to rising prices. Nonfood consumption shocks increase income inequality and government expenditure and shocks in credit decrease income inequality. The shock in income inequality also impacts positively on savings. **Conclusion:** The study conclusions In terms of further implications, recommend must be promoting the real output growth and achieving justice in income distribution by increasing in domestic savings and facilitating loans to low-income earners, directed towards investment that reduces the increase in non-food consumption, and reduces inflation.

Keywords: Income inequality; Macroeconomics; Monetary; Indonesia; SVAR Panel data
JEL Classification: D63, E00

Maternal Employment's Impact on Children's Educational Achievement in Indonesia

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ABSTRACT

Introduction/Main Objectives: As the increasing of women participation in labor market for the last 20 years, many Indonesia's women have double status, being a mother and a worker at the same time. The effect of maternal employment on their children still becomes a debatable issue around society while some research found both positive and negative impact. **Background Problems:** This study analyses the effect of Indonesia maternal employment on the children's achievement in Indonesia's primary education. **Novelty:** Indonesia has limited research on this topic and unlike some research that already written which use primary data and local area, this study uses national survey dataset. **Research Methods:** Using the 2nd-5th wave of IFLS (Indonesian Family Life Survey), about 1445 children have been used as sample research. The national exam score of mathematics and Indonesia language from grade 6 (elementary school) and grade 9 (junior high school) has been used for the dependent variables. Maternal employment status is taken when children in elementary school entry age. Pooled cross-section regression model is used to analyze this dataset. **Finding/Results:** This study found that maternal employment status has a significant effect on children's achievement on Indonesian language score both of elementary or junior high school but it doesn't have a significant effect on mathematics regardless of any grade. Working mothers at this age have changed the quantity engagement time with children to the quality engage time. Internal factors such as higher motivation or existence of role model also become the reasoning of the positive result. **Conclusion:** The significant effect with positive sign means that maternal employment could bring positive impact to the children women should not be afraid to have double status (as mother and worker). Except asking help from the grandparents or relative's help to substitute their role, enrolling children to the kindergarten or early education could be a solution for working mother to avoid the disadvantage of their maternal employment status. Government and the private sector should formulate a regulation that can increase the parenting room and expand the development of early education.

Keywords: education; maternal employment; children achievement; primary education
JEL Classification: D13, I20, J13

Export Potentials and Market Opportunities in Nigeria-China Bilateral Trade

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ABSTRACT

Introduction: Nigeria has remained one of the major Chinese trading partners as it provides huge market for various Chinese products. This trade relations and the rise of Chinese economy has changed the direction of Nigeria's trade from its traditional trading partners toward China. **Background problems:** However, the pattern of Nigeria-China trade is not in line with Nigeria's pursuit to diversify its export to China. Diversifying Nigeria's export, will be difficult considering the structure of Chinese exports which are mostly manufactured goods and overwhelming balance of Payment which has been in favor of China from 1988-2017. **Objectives:** Given this problem, this study analyzed twenty major products and identified commodities with which Nigeria has potential to export to China, to bridge its balance of payments deficit. The study also sought to identify new market opportunities for Nigeria in Chinese markets. **Novelty/Methods**: A study of this nature within the context of Nigeria-China trade has not been conducted in any empirical study, as such this study is a novel empirical work that applied a simple methodological approach comprising the use of normalized version of Revealed Sectoral Comparative Advantage (RSCA) formula and elements of Growth Identification and Facilitation Framework (GIFF) which to our knowledge has not been applied to the study of Nigeria-China bilateral trade relations. **Findings/Results:** The study used data for 1988-2017 obtained from UNCOMTRADE. The data were collected at Harmonized Section HS 2 digit level. The study result shows that Nigeria has a steady and long-term comparative advantage in five out of twenty commodities analyzed with a greater scope of increasing its exports to China, and comparative disadvantage in fifteen analyzed commodities; while China enjoyed more comparative advantage than Nigeria as it can potentially export most of the commodities to Nigeria. The study revealed that there is no unexploited market opportunity in Chinese economy for Nigeria's export. Mineral fuels despite its market decline in China it still remained the highest, actual and potentials market for Nigeria's export. The share of rubber in Chinese import was very low but still remained a potential and growing markets for Nigeria to increase its export to China. **Conclusion:** This study conclude that given the current products comparative advantage which reflects the Nigeria's actual and potential exports to China there is no unexploited market opportunity for Nigeria in Chinese economy. The findings of this study will provide and important guides to further research and policy making especially those that will focus on export diversification and rising the competiveness of made in Nigeria products in the world markets.

Keywords: China, Nigeria, RCA, RSCA, GIFF
JEL Classification: F14, F15

Evaluation Criteria of High-Flyer Tech Startup Investments by Venture Capital Firms in Indonesia

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ABSTRACT

Introduction: As the biggest ASEAN population with a highly dynamic market accredited to the rising affluence of its middle-income consumers, Indonesia shows itself as a very promising business landscape. Out of eight Southeast Asia startups valued above USD 1 Billion, the archipelago is home to four companies and the rise of digital economy is predicted to contribute as much as 11% to the country's GDP by 2020. **Background Problems**: This presents an urgency for Indonesian startups to increase their attractiveness to obtain funding in order to grow bigger. With Venture Capital (VC) firms being the most significant investors in this industry, the urgency to single out key indicators observed by VCs becomes important. **Novelty:** As VC funding has only become very prevalent in Indonesia within the past decade along with the booming of technology-based startups, this study is among the few pioneers using a mixed method approach attempting to find out what criteria are considered crucial so that VCs can project a return to initial investment by more than five times in their valuation of a startup (high-flyer investments). **Research Method:** Primary data was first collected through questionnaires from twenty-two VC firms in Indonesia, with nine variables categorized into three main aspects; company-related, product-related, and market-related factors. Logistic regression results revealed that out of all variables analyzed, the variable product performance shows that companies with products that have passed the Minimum Viable Product (MVP) phase have the biggest opportunity to be evaluated as a high-flyer investment. A sequential in-depth interview with six VC firms shows that most VC's arguments align with existing literature regarding the variables used, however it is the opposite for one— findings indicate preferences for fast followers over pioneer startups. Founder factor is also very important that it holds 'premium' factor in investment decisions made by VCs. **Conclusion:** Quantitative results were compared to knowledge about initial assessment systems used by each VC gained from in-depth interviews. The findings indicate that aside from the more general qualifier such as product prototype, VCs develop their own conviction based on their firm's founding thesis, and it allows them to have different priorities influencing their confidence level in a startup, and ultimately their decision to invest.

Keywords: Venture Capital, Tech startups, investment criteria
JEL Classification: D13, I31, J22, K31

Factors Influencing Female Fitness Enthusiasts to Continue Membership Program in Fitness Studio

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ABSTRACT

Introduction/Main Objectives: This paper brings the topic of how mainly female as the targeted marker of fitness studio act as the customer in terms of membership program. **Background Problems:** Male and female as the customers of the business tend to have different behavior and preferences. The increase of fitness studio in big cities has become the trend especially female to exercise in fitness studio since many of fitness studios target female fitness enthusiasts as their customer. Like any other fitness centers, fitness studios heavily rely on customer retention for continuous profitability. Acquiring new customers requires more effort in marketing the brand since it aims to attract potential customers who are in the level of brand awareness; while in maintaining the current members to continue the membership is putting an effort to gaining their intention to repurchase the membership. Even though the continuance of membership in fitness studio is important for the business, the owners and/or the management still have no idea the certain factors that influence female fitness enthusiasts to continue membership in their fitness studio. **Novelty:** Many previous researches study about customer retention on gym or large fitness centers but not many of them discuss about the continuous membership in fitness studio and for specifically female fitness enthusiast. This might be explained due to the new trend of fitness studio compared to ordinary gym. Therefore, this research aims to find out what are the factors that influencing female fitness enthusiats to continue membership in particular fitness studio. **Research Methods:** Researcher has collected data from 204 female fitness enthusiasts who have acquired membership in fitness studio in Bandung and analyze the data with PLS-SEM to evaluate the relationship between factors and the intention to continue membership. **Finding/Results:** The result indicates that social influence and intention to continue exercising in fitness studio have significant effect for female fitness enthusiasts to continue membership in fitness studio. Whereas perceived membership price and perceived service quality has no significant effect on the intention of continuing membership in fitness studio for female fitness enthusiasts. **Conclusion:** The implication of this research is to focus on establishing strong community within the classes and make every member feel belong to the class since social factor has significant influence on female fitness enthusiasts to continue membership in fitness studio. This research can be useful for business owners in similar industry especially when they are targeting female consumers.

Keywords: Female fitness enthusiasts, fitness studio, continue membership, social influence, perceived service quality
JEL Classification: M31, M37, Z29

Analyze the Influential Factors of Customer Engagement on Instagram toward Purchase Intention on Local Streetwear Brands in Bandung

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ABSTRACT

Introduction/Main Objectives: Fashion is one of the creative economy industry sub-sectors that contributes significantly to gross domestic income in Indonesia, based on original economic data released by Bekraf, in 2016 and 2017 this industry contributed 18.01% and 18.15% of revenue. One example of fashion style is streetwear, which is a style that is rooted in skate, surfing and hip-hop culture. Until now, in Bandung, many companies that sell clothing focus on streetwear clothing. Sales growth of each company will indeed not be separated from social media contributions, especially Instagram, which has many users. **Background Problems:** In 2019, Instagram updated an algorithm that only 7% of viewers could see posts on Instagram accounts, which disappointed companies that used Instagram as their marketing strategy to reach new customers. Regards to the problem, this research aims to determine what factors can increase their customer engagement on Instagram and influence on purchase intention and also about the relationship between content quality, customer engagement and purchase intention, then the final result of this research is used as a recommendation for each online shop mainly sell clothing product that needs to do the factors that influence customer engagement to achieve good customer engagement. **Research Methods:** This study will use PLS-SEM analysis to assess the significance and analyze Instagram content from three local streetwear brands. The researcher used values from previous studies. The amount used for review is the content quality on Instagram, customer engagement, and purchase intention. **Finding/Results:** The result shows that there is a positive relationship between the content quality on Instagram, customer engagement, and purchase intention. Besides, the content quality on Instagram is the main thing that is very important to influence purchase intentions. **Conclusion:** Therefore, to create quality content on Instagram, the content must be vivid and interactive because it will affect customer engagement and also purchase intention on Instagram. This research is expected to provide information for local streetwear brands regarding the content quality on Instagram and maximize its use.

Keywords: *Content quality; customer engagement; purchase intention, Instagram, local streetwear brand.*
JEL Classification: M31; M37

Improving Hospital Line Performance by Using DMAIC: A Case of a Private Hospital in Bandung

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ABSTRACT

Introduction/Main Objectives: A medical service provider is an essential part of everyday life of humans. It is important to be able to have a working system that is effective and efficient in handling its patients. Private Hospital is a private owned hospital that has established a name across Indonesia. In the Pasteur branch, the hospital is struggling to keep up with the increasing patient flow. The background of this research is to identify the performance and capability of BPJS area in Private Hospital, find the root causes of its problems and to recommend feasible solutions for the hospital. **Background Problems:** In the Pasteur branch of Private Hospital, the hospital is struggling to keep up with the increasing patient flow, especially in the BPJS area within the hospital. **Novelty:** As far as the author is concerned, there are researches that provide depth to hospital waiting time but not into the level of trying to improve the performance of an individual example. **Research Methods:** The research objective was achieved by using DMAIC analysis combined with Minitab, Seven Waste, and Five Whys as the assisting tools. The data that is used for this research is the electronic record data provided by the hospital. There are three interconnected data in which they are data recorded at the time the patient leaves the FO, the time the patient reaches the Pharmacy, and then at the time the patient leaves the cashier. Each data set has the 103670 rows. The data records the average length of stay for each recorded patient in BPJS area. **Finding/Results:** The result of the research states that the electronic record data of the hospital is nonnormal. After using Empirical Capability Analysis, it was deemed that the hospital is not capable of handling the large influx of patients arriving during their length of stay. **Conclusion:** The conclusion of this research states that the hospital has three root causes. The root causes are lack of space and human resources to handle the patients face-to-face, low effectiveness of process socialization, and the current system still does not fully support autonomous online registration for all patient. These issues can be improved by the role example of other hospitals as a benchmark of adaptation which in the improved process mapping simplifies the registration process.

In short, the study shows that even well-known hospitals are shown to have problems in handling large influx of patients. Its impact could be huge in terms of waiting time. Should more hospitals focus on improving the waiting line, the closer the gap between the government standard, patient satisfaction, and efficiency in the hospital.

Keywords: *BPJS, Capability Analysis, DMAIC, Root Causes, Adaptation.*
JEL Classification: C41, C44, I18

Decision on Information and Communication Technology Adoption on Small Medium Enterprises (SMEs): Evidence from Yogyakarta, Indonesia

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ABSTRACT

Introduction/Main Objectives: This paper aims to understand what factors that affect decision in ICT utilization in SMEs, with the sample in Kabupaten Bantul and Yogyakarta City. **Background Problems:** Previous studies revealed several barriers in ICT adoption among SMEs, such as lack of support from management, lacking of workers' education and training, financial difficulties, and lacking of IT awareness. **Novelty:** While some of the research focused on external factor behind ICT adoption, this research revealed dynamics on ICT adpotion on internal factor. Thus, we used primary data on SMEs level. **Research Methods:** Survey was conducted in January 2018 to 700 randomly selected SMEs in various sector. Using logit model involving owner's characteristics, infrastructure, and some variables related to workers. **Finding/Results:** We include owner and SMEs characteristics; additional training and workers characteristics; and control all the regressions in our models, respectively. We also found that owners' characteristics have higher influence in decision of using ICT compared to workers characteristics (e.g.: education and training). Infrastructure (network signal) has few magnitude compare to another factor. Infrastructure did not have significant influence in ICT usage decision making. Among the sector, service sector has high probability to use ICT for its businesses. **Conclusion:** Owners' characteristics have higher influence in decision of using ICT compared to workers characteristics and infrastructure. This implies, education and training of ICT awareness to increase ICT adoption should focus on business owners at first.

Keywords: Information and Communication Technology (ICT) adoption, Small and Medium Enterprises (SMEs), logistic regression
JEL Classification: D13, I31, J22, K31

Bringing Virtual Communities into Marketing Strategy in Creating Purchase Intention in the Social Media Era

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ABSTRACT

Introduction: Virtual community is a new form of social interaction that provides an alternative way for connectivity and creativity through any social networking sites (social media), as the most favorite platform. A big flow of data and information exist virtually and has changed purchasing behavior. People tend to seek any information about products in their purchase decision process. It makes taking part of virtual communities as a must to do. People with same interest and experience share their testimonies that become trustworthy reference for others. Managing virtual communities is a great marketing strategy to win customer heart and mind. **Background problem:** The purpose of this present study is to examine the antecedents (social e-wom, brand image, and brand trust) and consequences (purchase intention) of e-wom adoption. **Novelty:** As there is no prior study examine the effect of social e-wom through virtual community on brand image, brand trust e-wom adoption and purchase intention, this study would be the first study that give a comprehensive model. **Research methods:** Testing the hypotheses involved a sample of 240 Indonesian virtual communities' active users. The data was collected through a self-administered questionnaire and analyzed with SPSS and Partial Least Square (PLS) 3 software**. Findings:** The findings proved the relationship among social e-wom, brand image and brand trust. It also revealed that e-wom adoption play an important role in affecting customer purchase intention. Surprisingly, brand image, as an antecedent of brand trust, has no statistically significant effect on e-wom Adoption. Furthermore, as predicted, the findings confirmed that e-wom adoption has an effect on purchase intention. **Conclusion:** This study offers some managerial insights to manage social e-wom from any virtual communities to help company improve image and trust. Finally, by knowing the issues, manager should maintain any positive reviews, as it will lead customer to their purchase intention.

Keywords: social e-wom, brand image, brand trust, purchase intention
JEL Classification: M31 (Marketing) – D4

Analysis of Extended UTAUT-2 Factors towards Continuance Intention of GOPAY Users in Yogyakarta

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ABSTRACT

Introduction/Main Objectives: Technology innovation brings many changes in the payment system, in which there is a transformation from traditional payment systems to digital or electronic payment systems. In responding to the digital changes and fulfilling the need of digital payments, businesses in Indonesia are currently emerging the financial technology (fintech) sector. One of the fintech payment product that is growing rapidly in Indonesia is a digital wallet. **Background Problems:** The market of electronic wallets in Indonesia is dominated by GoPay, a digital wallet used to make transactions within the GoJek application. GoPay has the best and fastest growth among other electronic payments in Indonesia. With the rapid growth of GoPay, GoPay have to always improve the quality of their performance and services by understanding the technology from consumer point of view. Novelty: This research will conducted in Yogyakarta due to high internet penetration in Yogyakarta is above 45% which following by the high level of acceptance in technology as well. Besides, there were no previous studies which address this phenomenon in Yogyakarta. **Research Method:** This research aims to identify the factors that influence user continuance intention in using GoPay based on Extended Unified Theory of Acceptance and Use of Technology-2 (UTAUT-2) Model. There are nine variables examined, namely Performance Expectancy (PE), Expectancy Expectancy (EE), Social Influence (SI), Facilitating Conditions (FC), Hedonic Motivation (HM), Price Value (PV), Habit (HA), Trust (TU), and Perceived Risk (PR). The method of analysis in this research uses Multi Linear Regression. **Finding/Results**: The results of this research found out that there are four significant factors influencing user continuance intention, namely Hedonic Motivation (HM), Performance Expectancy, Perceived Risk (PR), and Habit (HA). The most significant factor in influencing Continuance Intention (CI) is Hedonic Motivation (HM). **Conclusion:** The researcher suggest to electronic payment providers to be more concern in providing an entertainment features on their payment platforms which can enhance the users motivation in using the payment services.

Keywords: Digital Wallet, GoPay, Continuance Intention, Extended UTAUT2, and Multi Linear Regression
JEL Classification: M13, M15, M30

Analysis on the Impact of Time Management towards Academic Performance of Institut Teknologi Bandung Undergraduate Students

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ABSTRACT

Introduction/Main Objectives: Nowadays, we live in a high-competitive era, where everyone is competing to be the best, included students. In order to get high performance academic result, which required by competitive conditions, the students urged to use their time effectively and to set particular ways to manage the time well. This conditions are the fact that ITB students need to be aware of, since ITB is included as the top university with high competitive environment as referred by several surveys. **Background Problems:** In fact, there are many ITB undergraduate students perceived to have difficulties in managing their time well. Based on that, this issue is considered as the necessity role of time management for ITB undergraduate students' performance during their academic life. The aim of the study is to find out the significantly impact of time management towards ITB undergraduate students' academic performance, also to find out which time management components that has most significant impact to students' academic performance, as there are 3 components, short-range planning, long-range planning, and time attitude. **Novelty:** This topic had not been taken yet, because this topic was often underestimated as small matter by ITB undergraduate students, furthermore, the researcher found many ITB undergraduate students often complained about how they felt they were running out of time. So that, this topic remain important for ITB undergraduate students to be learnt about. **Research Method:** Quantitative method was used and the researcher used online questionnaire to collect the data. This study considered the total population of the ITB's undergraduate students. As this research's sample, there are 111 respondents taken randomly from ITB's twelve different faculties. **Findings/Results:** The findings of this study explained about the positive impact of time management for the ITB undergraduate students as the given case study of this research is ITB undergraduate students. Then, the most influential time management components that affect the ITB undergraduate students' academic performance is Time Attitude. **Conclusion:** In the end of this research, the researcher conclude that, the ITB undergraduate students might need to manage their time well. Started to diminish their unbeneficial activities and to have their activities planned as well.

Keywords: *Time Management, Short-Range Planning, Long-Range Planning, Time Attitude, ITB Undergraduate Students' Academic Performance*.
JEL Classification: E24, O15

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