

ABSTRACT

The high of purchase intention Indonesian for luxury goods makes Indonesia one of the target markets that have promising potential for luxury brands from all over the world. Bandung is a city that has its own value for everyone who visits this city. Today's luxury goods are not only a mere appearance complement, more than that, luxury goods provide their own exclusive value for anyone who owns them. Ease of accessing information about a product makes there is no barrier between the seller and the buyer. Social media has a very important role for companies to advertise their products through social media, so that the image shown can influence one's purchasing decisions. In addition, there are other factors that influence someone's purchase intention in luxury goods.

This study aims to analyse the factors that influence the purchase intention of luxury goods in Bandung.

The type of this research is causal descriptive with quantitative research methods with data collection techniques using google form. Filling out the questionnaire in this study used a Likert Scale. This study involved 425 respondents and the sampling technique used in this study was non-probability sampling with purposive sampling. In this study, using the technical analysis of Structural Equation Modelling (SEM) with IBM SPSS AMOS as statistical software.

Based on the results of the study, it can be concluded that Perceived Quality has a positive effect on Social Value, Perceived Quality has a positive effect on Personal Value, Perceived Quality has a positive effect on Functional value, so it can be concluded that Perceived Quality has a significant influence on Perceived Value. However, Social Value, Personal Value, and Functional Value do not have a significant influence on Social Media WOM. But Social Media WOM has a positive influence on Purchase Intention. Customer Demographic also has a moderating effect on the relationship between variables. However, Perceived Social Status does not have a moderating effect on the relationship between Social Value, Personal Value, and Functional Value on Social Media WOM. However, Perceived Social Status has a positive moderating effect between Social Media WOM and Purchase Intention.

For further research, the authors suggest that they can study and understand the important role of social media in our daily life, because of the rapid development of social media many opportunities and risks that arise, especially the role of social media for marketing is quite significant.

Keywords: Demographic, Perceived Quality, Perceived Social Value, Perceived Value, Purchase Intention, Social Media WOM