



A Comparison of Indonesian and Dutch Generation-Z Preference Shift from Global Fashion Brands to Locals after Covid-19 Pandemic

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ABSTRACT: The covid-19 pandemic which outbreaked four years ago has shifted how people live, work, and shop. Governments restrictions have made people develop new habits that can be done from home. Fashion industry as one of the most influential industries in Indonesia, as well as something that was always being traded offline, becomes one of the impacted areas. The less bodily experience of fashion online shopping and more cost-conscious consumers made this industry experienced a dip especially in 2019 and 2020. However, preliminary findings suggest that this condition benefits local fashion businesses which have been operating online since before this problem emerged. Therefore, this study is conducted to investigate the post-covid-19 pandemic preferences of generation-Z consumers regarding local and global fashion brands, focusing on a cross-cultural comparison between Indonesia and the Netherlands. The research aims to understand the factors influencing Generation-Z's fashion brand preferences and explore potential differences between the two countries. This study is done using quantitative method with online questionnaires tool distributed to a sample of generation-Z consumers from two universities in Indonesia and Netherlands. Then, the data is processed using partial least square-structural equation modelling (PLS-SEM).

Results show that generation-Z of both countries prefer local fashion brands compared to global ones. The difference between the two countries is Indonesian participants emphasize the importance of brands interactivity, while the impact of it to Dutch participants is less significant. The study's implications highlight the evolving Generation-Z consumer behavior after the pandemic especially the shift of preference to local fashion brands. Understanding these preferences can assist fashion business owners and marketing teams in tailoring their strategies to cater the current needs and values of Generation-Z consumers. Furthermore, the cross-cultural comparison sheds light for fashion business owners who are planning to expand their markets to developed countries with similar characteristics as Netherlands.

KEYWORDS: Covid-19, cross-cultural comparison, consumer preferences, global fashion brand, local fashion brand.

I. INTRODUCTION

The covid-19 pandemic that was first outbreaked on December 12th, 2019, has been affecting our life in various ways. Nearly half (48%) of people across the globe are developing new abilities or learning online [1], many employees have faced the transition to working from home and 48% who had not previously worked remotely anticipate doing so more often in the future [1], consumers are also becoming more reliant on digital services such as ecommerce, utilizing services like contactless payment and grocery delivery more often. [2]. Overall, the coronavirus pandemic has led to significant changes in consumer behavior all over the world. This discovery is interesting to be explored deeper because it has affected the way companies should handle their marketing and sales strategies. Although many studies have pointed out the covid-19 impacts on business and daily life, majority of them are done during the pandemic itself and little has revealed how is the irreversible condition now after the pandemic starts to abate and what opportunities it underly. Among many industries that have been impacted by the pandemic, fashion industry is one of the most significantly disrupted [3]–[6]. Fashion business strategy was mainly offline stores to provide a bodily experience for the consumers. However, the covid-19 forced this industry to shift into online, not only the shopping experience but also other activities such as fashion weeks [7].

Although the root cause of this problem is already well defined, which is the covid-19 pandemic, however the factors and the permanent effects are still unknown. Thus, this research is proposed to investigate how the pandemic has a long-lasting impact on consumer behavior, especially in fashion industry, in terms of online shopping experience, satisfaction and engagement, and how it affects consumers' preference afterwards.



This study is conducted in generation-Z¹ demographic group from a developing country in Asia and a developed country in Europe, as not only they make up to 32% population worldwide, but also their spending power set to grow significantly over the coming years now reaching more than USD 143 billion [8]. Hopefully, author as an MBA student can help to give insight to fashion business owners as the client and marketing teams of fashion businesses as the problem owners to plan effective marketing and sales strategies accordingly in the new normal (post-pandemic). The comparison data, Indonesia and Netherlands, is also expected to help them which are wishing to broaden their brands internationally.

A. Business Issue

Many businesses have experienced a significant decrease in revenue due to the pandemic, some of them even resulted in a shut down. According to data gathered from the Current Population Survey, there was a decrease of 22% in the number of active business owners between February and April of 2020 [9]. This has been particularly true for businesses that rely on in-person interactions, thus fashion industry is not an exemption [10].

Data from the Current Population Survey revealed a 22% decrease in the number of active business owners between February and April 2020 [9]. The fashion industry specifically saw a notable decline in performance in 2020, with a 19% dip in economic profit compared to the previous year [11]. Quarantine policies implemented by governments to minimize the risk of infection limited consumer movement and affected offline businesses, while online businesses benefited. This study focuses on the possible opportunity for local fashion brands operating online compared to global fashion brands operating in-store on this occasion, specifically examining the preferences of consumers in the Netherlands, known for prioritizing comfort and versatility, and Indonesia, where modesty and refinement are valued [12]. Comparing consumers in these two countries with different characteristics can provide valuable insights for globally operating businesses [13]–[16].

B. Research Questions and Objectives

In order to remain competitive, the fashion industry needs to adapt to the pandemic-driven consumer behavior changes. Thus, this study aims to uncover the right actions from fashion business stakeholders in to respond this challenge, in addition, if they have an idea to expand to Western Europe countries. Given the research aim, we propose the following research questions:

RQ1 : What has changed in consumer preference toward fashion brands post-pandemic covid-19?

RQ2 : How do they differ between Z generation in Indonesia and Netherlands?

Thus, this study hopefully can contribute as a guide to create the proper marketing strategy for fashion industry especially in Indonesia and for the brands which are aiming to go globally.

C. Scope and Limitations

The study was conducted in two universities in The Netherlands and Indonesia. The survey was given online via e-mail to the students of Rijksuniversiteit Groningen and Institut Teknologi Bandung who were born between 1997 and 2012. This research focuses on a shift in fashion brand preference from global brands to local brands caused by some new habits that were formed after the pandemic.

II. LITERATURE REVIEW

A. Theoretical Foundations

1) *Consumer Behavior*: The COVID-19 pandemic has caused significant changes in consumer behavior, influencing how individuals and households make choices about their resources. Cultural, social, psychological, and personal factors all play a role in shaping consumer decisions. The pandemic has created new contextual factors that have disrupted and shaped consumer habits. Immediate effects include hoarding, improvisation, pent-up demand, adoption of digital technology, in-home delivery, blurred work-life boundaries, gatherings for well-being and storytelling, and talent identification. Some of these habits are temporary, but others, like increased online shopping, are expected to persist even after the pandemic. The integration of digital

¹ People who were born between 1997-2012



technologies in various aspects of life is anticipated to have long-term effects on consumer behavior. (Sheth, 2020; Bytyçi et al., 2021; Bohorquez-Lopez & Gutiérrez-Leefmans, 2022)

2) **Brand Experience:** Establishing and maintaining brand loyalty is crucial for the success of businesses in a competitive landscape. To differentiate themselves, businesses must create captivating brand experiences that attract customers and foster loyalty. Brand experience encompasses the interactions and experiences customers have with a brand over time. It includes subjective and internal responses as well as behavioral reactions to brand-related stimuli. Elements like design, packaging, communications, and environments influence consumers' brand choices. Brand experiences can vary in valence, strength, and duration. The COVID-19 pandemic has significantly impacted the fashion industry, highlighting the need for marketing and e-commerce agility. Fashion brands have undergone digital transformation, adapting to new shopping channels and implementing augmented reality experiences. Adjustments in marketing logistics have become essential for navigating pandemic-induced business conditions. The fashion industry must create satisfying brand experiences to remain competitive in the post-pandemic era. (Ramaseshan & Stein, 2014; Alperytė & Išoraitė, 2019; Gvili & Levy, 2018; Shahzad et al., 2018; Stern et al., 2001; Yiadom & Tait, 2022; Brakus et al., 2009; Keller, 1987; Gorn et al., 1997; Mandel & Johnson, 2002; Veryzer & Hutchinson, 1998; Manivannan & Kannappan, 2020; Muniesa et al., 2021; Rhee, 2021; Jovanović, 2022)

3) **Brand Interactivity:** Brand interactivity refers to the level of engagement and interaction between a brand and its consumers. It involves utilizing various channels, such as the internet and social media, to create positive experiences that are centered around the brand. This enthusiastic engagement leads to a desire to actively interact with the brand. Brand interactivity plays a significant role in shaping brand identity and fostering consumer engagement beyond mere transactions. It allows individuals to explore emotions through progressive or playful activities and cultivates brand loyalty. In the fashion industry, brand interactivity is crucial for establishing a strong connection with consumers and fostering active engagement. Social media marketing is an effective method for achieving this, as it capitalizes on interactivity and social comparisons. Partnerships with artists and endorsements from notable personalities are common practices in the industry. Strong brand dedication and active involvement in engaging with the fashion brand are essential for the success of fashion designers.

4) **Customer Satisfaction:** Consumer satisfaction refers to the level of gratification or enjoyment that consumers experience when engaging with a particular brand. Enhancing product quality is crucial for meeting customer requirements and increasing satisfaction levels, leading to brand loyalty. In the fashion industry, companies can enhance brand satisfaction by developing fashion brand apps to improve consumer engagement and flow. Creating a favorable fashion brand experience that encompasses sensory, emotional, behavioral, and intellectual elements also positively impacts brand satisfaction and trust. Trust and loyalty can be fostered through social networking platforms tailored to fashion brands, further enhancing customer satisfaction and purchase intentions. Factors such as service quality, convenience, and effective product and promotion strategies influence brand satisfaction post-COVID-19. Adapting to marketing and e-commerce agility is essential for regaining a leadership position in the industry. To thrive in the fashion industry after the pandemic, brands should prioritize strategies that enhance brand satisfaction, adapt to the changing landscape, and improve customer satisfaction.

5) **Brand Preference:** Brand preference refers to consumers' inclination to choose a specific brand over others, influenced by their interactions, attitudes, and perceptions associated with the brand. It plays a crucial role in consumer decision-making and purchase intention. Factors such as visual merchandising cognition, country-of-origin perception, brand equity, demographic characteristics, and attitudes towards brands and advertising influence brand preference in the fashion industry. Gender differences exist, with women being more influenced by fashion-related factors and men showing a stronger inclination towards brand recognition and reputation. Historical background, alignment with the manufacturing country, and conspicuous consumption also impact consumers' preference for fashion brands. The COVID-19 pandemic has affected brand preference, with resilient brands being more likely to withstand the challenges. However, some studies suggest that consumers have reverted to their pre-pandemic brand preference patterns.

B. Conceptual Framework

Author develops a new conceptual framework as presented in figure 1. The variables chosen are the ones that hopefully can contribute explaining the problem statement and have an influence on the dependent variable, which is local brands preference compared to global brands.



Figure 1. Conceptual framework from (Boubker & Douayri, 2020), (Li et al., 2021), (LEE, 2020), (Salameh & Zamil, 2020), (Shi et al., 2022)

The following hypotheses are then developed following the literature review findings and previous studies:

1) New Online Purchasing Consumer Behavior and Brand Experience: The COVID-19 pandemic has brought about significant changes in consumer market needs, attitudes, and purchase intentions (Shamsher, 2022). Consumers have established new priorities and shopping habits in response to the crisis (Shamsher, 2022). Online shopping frequency has increased during the pandemic and is predicted to continue (Gu et al., 2021; Pham et al., 2020; Shamsher, 2022; Sorrentino et al., 2022). The apparel industry's supply chain has been disrupted, leading to a decrease in exporting activities by brands (Su et al., 2022; Lu & Langro, 2022). As a result, consumers have shown a growing intention to shop local brands for convenience (Alexa et al., 2021; Бочко & Kozhushok, 2021). The digital marketplace offers various devices for customers to interact with brands, and a unified online customer experience is influenced by factors such as ease of finding the website or app, user-friendly interface, perceived usefulness, enjoyment, customization options, social interactions, and compatibility across multiple devices (Bilgihan et al., 2016). It is believed that the pandemic has forced individuals to develop new online purchasing behavior, which is expected to positively relate to brand experience (Rahman & Mannan, 2018; Ling et al., 2010; Mishra, 2018).

H1. New Online Purchasing Consumer Behavior After COVID-19 Pandemic Positively Relates to Brand Experience

2) Brand Experience and Customer Satisfaction: The internet invention has brought a significant transformation in global business practices over the past few decades, therefore business practitioners should pay attention to this service. [17] has provided empirical evidence that the occurrence of an online flow state, indirectly contributes to enhancing customer satisfaction and fostering customer loyalty for brands through the customer experience. Additionally, it is proven that brand experience has a direct and positive impact on both customer satisfaction and brand loyalty [18], [19]. Moreover, study also indicates that by creating a holistic brand experience, companies can effectively boost customers' brand preferences and intentions to make purchases through customer satisfaction [20].

H2a. Online Brand Experience Positively Relates to Customer Satisfaction

However, another recent study suggests that Indonesia is witnessing a rapid advancement in the realm of technology, particularly in the domain of e-commerce [21]. As a result, a growing number of Indonesian individuals are inclined towards engaging in online activities, including online shopping [21]. Thus, it makes more sense that the effect will be stronger in Indonesia compared to Netherlands. Nevertheless, following assumption is made in this study:

H2b. The Effect of Online Brand Experience Towards Customer Satisfaction is Stronger in Indonesia Than in Netherlands

3) Brand Experience and Brand Interactivity: According to Fernandes & Inverneiro (2021), brand experience, supported by brand identification, emerged as a significant factor in cultivating brand love, which subsequently correlates positively with engagement and loyalty. In addition, the online brand experience (OBE) together with involvement serve as crucial catalysts of online brand interactivity [23]. Likewise, online brand experience can only affect brand satisfaction and loyalty significantly if



they maintain online interactivity with the consumers [19]. As Akhtar et al. (2022) also suggest, to be able to provide enjoyable experiences to generate positive satisfaction, brand should maintain consistent communication as an interactivity means with customers which can be implemented by setting up strategy online shopping experience through mobile app engagement. Thus, following assumption is made in this study:

H3a. Online Brand Experience Positively Relates to Brand Interactivity

Although some studies prove the contrary, that brand interactivity promotes brand experience [25], [26], however as mentioned above this study is based on the assumption that pandemic forced everyone to experience it, not by their choice, but in order to survive. However, as also previously stated, based on the assumption that 77% of Indonesian population uses internet [27], and 73.7% of them utilise it for online shopping [28], means that more Indonesian experience online shopping and it is believed to make the effect stronger in Indonesia than in Netherlands. Nevertheless, following assumption is made in this study:

H3b. The Effect of Online Brand Experience Towards Brand Interactivity is Stronger in Indonesia Than in Netherlands

4) Customer Satisfaction and Brand Preference: Although in the past Hellier et al. (2003) believe that there is no direct relationship between customer satisfaction and current brand preference, and that it must be supported with perceived value, numerous latest studies and empirical evidence believe that customer satisfaction has an impact to brand preference. For example, Fonda et al. (2022) suggests that brand experience, customer satisfaction, and customer trust are factors that can make customers prefer a brand and thus create loyalty. Customer satisfaction indirectly influences customer loyalty through its positive effects on customer trust [30]. Additionally, according to [31], customer satisfaction has a positive direct influence on customer brand preference and also indirectly through brand image and brand equity. Additionally, utilizing mobile applications and having a positive online brand experience leads to an increase in customer satisfaction which can foster a sense of loyalty towards the brand and a willingness to recommend it to others when customers find that the brand meets their expectations and fulfils their needs [19]. Nevertheless, following assumption is made in this study:

H4. Customer Satisfaction Positively Relates to Brand Preference

5) Brand Interactivity and Brand Preference: A study found that interacting with customers online can establish a connection and foster a relationship between a brand and its customers [32]. Another study also suggested that in order to enhance customer loyalty, brands should actively interact with customers using both offline and online strategies [33]. Additionally, the customer loyalty itself was positively associated with both brand love and brand preference [34]. On top of that, if customers are satisfied with the online brand interactivity, it evokes a unique emotional connection with the brand, which subsequently leads to the generation of positive word-of-mouth [35]. Thus, following assumption is made in this study:

H5a. Brand Interactivity Positively Relates to Brand Preference

However, it is also important to note that customer brand engagement behavior is also impacted by cultural value [36]. A study suggests that Indonesians convey their thoughts and emotions on social media platforms [37]. Additionally, it is believed that in order to generate, strengthen, and sustain customer loyalty in Indonesia, marketing strategies that focus on timely, dependable, and proactive communication with customers [38]. Nevertheless, following assumption is made in this study:

H5b. The Effect of Brand Interactivity Towards Brand Preference is Stronger in Indonesia Than in Netherlands

III. RESEARCH METHODOLOGY

The method of research used by the author for this study is mono method quantitative. According to [39], mono method quantitative study is a research design that uses a solitary data collection technique. In this study, data is collected using self-completed questionnaires which were sent using e-mail to 399 students of Institut Teknologi Bandung in Indonesia and 134 students of Rijksuniversiteit Groningen, Netherlands. The chosen approach for this research involved using a questionnaire to gather numerical data for statistical analysis. This method was selected for its ability to efficiently collect data from a sizable sample and uncover patterns and correlations between variables. The use of a standardized set of questions ensured consistency in the inquiries and facilitated the acquisition of reliable and comparable data. Overall, employing a mono quantitative method with a questionnaire was a suitable choice for this study, allowing for efficient data collection and analysis from a large sample size.

In this study, the survey questions utilize a widely used Likert scale consisting of five points. This scale allows respondents to indicate their level of agreement or disagreement, ranging from "strongly disagree" (1) to "disagree" (2), "neutral" (3), "agree" (4), and "strongly agree" (5) [40]. The data gathered were then evaluated using partial least square-structural equation modelling (PLS-



SEM). Structural Equation Modelling (SEM) is a multivariate analysis framework that researchers employ to examine the connections between variables. It enables the integration of structural models into a cohesive entity, assesses measurement errors, conducts factor analysis, and facilitates hypothesis testing [41]. PLS-SEM is then used to examine the measurement model (outer loadings) including convergent validity, discriminant validity, reliability, and collinearity, then structural model (inner loadings) including predictive relevance and path coefficient, lastly the multi-group analysis to compare the results from Indonesia and Netherlands.

A. Measurement Model (Outer Loadings Testing)

1) **Convergent Validity Test:** The assessment of convergent validity involves examining the loading factors, which determines the relationship between the indicators and the latent variable. A loading factor of at least 0.7 is considered valid for each indicator [42]. The findings demonstrate that the loading factor values for the indicators related to each research variable meet the necessary criteria, and thus confirming the validity of the data.

After checking the loading factor, the average variance extracted (AVE) is the next being checked. An AVE (Average Variance Extracted) of 0.50 or higher is considered satisfactory, suggesting that the construct accounts for at least 50 percent of the variability in its items (Jr Hair et al., 2018). Therefore, according to the AVE test result too, all the variables are considered valid.

2) **Discriminant Validity Test:** The metrics proposed by Fornell & Larcker (1981) is commonly used to evaluate discriminant validity in structural equation modelling. It examines the distinctiveness of constructs in a model by comparing the square root of the average variance extracted (AVE) for each construct with the correlations between the constructs. The shared variance among the model constructs should not exceed their respective Average Variance Extracted (AVE) values [42]. Findings show that all the shared variances not exceeded the AVE values, therefore it can be inferred that the indicators utilized to assess the latent variables have satisfied the necessary criteria.

3) **Reliability Test:** In order to ensure the reliability and consistency of the questionnaire as a measurement instrument, Cronbach's alpha and composite reliability results are being used. In composite reliability test, higher values typically indicate greater levels of reliability [42]. The value accepted is higher than 0.6 in exploratory research like this study, however it shouldn't be higher than 0.95. Values of 0.95 and higher are problematic, as they indicate that the items are redundant, thereby reducing construct validity [44], [45].

Cronbach's Alpha is an alternative statistical measure that assesses the internal consistency of a set of indicators by examining the potential pairwise combinations of indicators within the set. If Cronbach's Alpha is greater than 0.6, it indicates that the construct or variable being measured is reliable and consistent [46]. Based on the PLS-SEM result, it can be inferred that all variables included in the questionnaire are deemed reliable. This conclusion is drawn from the fact that each variable has an AVE values range between 0.6 and 0.95, and Cronbach's Alpha values exceeding 0.6.

4) **Collinearity Test:** To ensure that the regression results are not biased, it is necessary to examine collinearity before evaluating the structural relationships. This assessment process calculates VIF values using the latent variable scores of the predictor constructs in a partial regression [42]. The collinearity test using VIF (Variance Inflation Factor) is a statistical technique employed to identify multicollinearity among covariates in a regression model. Multicollinearity arises when two or more independent variables in a regression model are highly correlated, leading to unstable and unreliable estimates of the regression coefficients. Ideally, the VIF values should be around 3 or lower [42]. According to the result, all the indicators from each variable scored below 3 for the VIF value. Nevertheless, they are reliable and can be processed to the structural model.

B. Structural Model (Inner Loadings Testing)

1) **R-Square and Predictive Relevance (Q^2):** Once the evaluation of the measurement model is satisfactory, the subsequent step in assessing PLS-SEM results involves evaluating the structural model. To determine the adequacy of the structural model, standard assessment criteria such as the coefficient of determination (R-Square) and the cross-validated redundancy measure Q^2 based on blindfolding should be considered.

The R-Square metric measures the extent to which the variance is accounted for by the endogenous constructs, thus indicating the explanatory power of the model [47]. Ranging from 0 to 1, higher R-Square values indicate a greater ability to explain the observed variance [42]. To provide a general reference, R-Square values of 0.75, 0.50, and 0.25 can be considered substantial,



moderate, and weak, respectively [42]. However, R-Square values equal to or exceeding 0.90 often suggest an issue of overfitting [42].

Another approach to assess the predictive accuracy of the PLS path model is by computing the Q^2 value. This measure relies on a blindfolding procedure where individual data points are systematically removed, replaced with their mean, and used to estimate the model parameters [48], [49]. By applying these estimates, the blindfolding procedure predicts the values of the removed data points for all variables [42]. A higher Q^2 value indicates greater predictive accuracy, as it signifies minimal discrepancies between the predicted and original values [42]. As a guideline, Q^2 values greater than zero for a specific endogenous construct indicate predictive accuracy of the structural model for that construct [42].

Table I. R-Square And Predictive Relevance

Variables	R-Square Adjusted	Q^2
Local Brands Preference Compared to Global Brands	0.525	0.388
Local Brands Online Customer Satisfaction Better Than Global Brands	0.293	0.192
Local Brands Online Experience Better Than Global Brands	0.13	0.085
Local Brands Online Interactivity Better Than Global Brands	0.54	0.329

Results from table I indicate that according to the R-square, Local Brands Online Experience Better Than Global Brands and Local Brands Online Customer Satisfaction Better Than Global Brands variables can explain the observed variance weakly, meanwhile Local Brands Preference Compared to Global Brands and Local Brands Online Interactivity Better Than Global Brands variables can do it moderately. Meanwhile from the Q^2 it can be inferred that all variables in this model indicate predictive accuracy. As an approximation, Q^2 values above 0, 0.25, and 0.50 represent small, medium, and large predictive relevance, respectively, for the PLS-path model [42]. Thus, Local Brands Online Experience Better Than Global Brands and Local Brands Online Customer Satisfaction Better Than Global Brands variables represent small predictive relevance, meanwhile Local Brands Online Interactivity Better Than Global Brands and Local Brands Preference Compared to Global Brands represent medium predictive relevance.

2) **Path Coefficient and Hypothesis Testing:** Once the model's ability to explain and predict has been confirmed, the last step is to evaluate the statistical significance and importance of the path coefficients. The significance of the path coefficients is determined by calculating the T-statistic, which should be equal to or greater than 1.96 at a 5% confidence level, or by obtaining a p-value of ≤ 0.05 through bootstrapping [46]. The path coefficient value represents the strength and direction of the relationship between the variables, indicating whether it is positive or negative.

Table I. Path coefficient result.

Path	Path Coefficient	T Statistics (O/STDEV)	P Values	Verdict
New Online Purchasing Consumer Behavior_ → Local Brands Online Experience Better Than Global Brands	0.363	9.897	0.00	Accepted
Local Brands Online Customer Satisfaction Better Than Global Brands → Local Brands Preference Compared to Global Brands	0.284	6.281	0.00	Accepted
Local Brands Online Experience Better Than Global Brands → Local Brands Online Customer Satisfaction Better Than Global Brands	0.542	15.559	0.00	Accepted
Local Brands Online Experience Better Than Global Brands → Local Brands Online Interactivity Better Than Global Brands	0.735	32.734	0.00	Accepted
Local Brands Online Interactivity Better Than Global Brands → Local Brands Online Interactivity Better Than Global Brands	0.521	11.785	0.00	Accepted
Local Brands Preference Compared to Global Brands				



Based on the findings presented in table II, the interaction among all the variables demonstrates statistical significance with a P-value of ≤ 0.05 or a T-table value of ≥ 1.96 (5% confidence level). The path coefficient reveals a positive value, indicating a positive relationship among the variables. As a result, hypotheses H1, H2a, H3a, H4, and H5a are accepted. As for H2b, H3b, and H5b will be revealed in the multigroup analysis.

C. Multi-Group Analysis

In this study, the differences between consumers in Indonesia and Netherlands are observed by evaluating the PLS-MGA (multi-group analysis) results between the subsample. The results for PLS-MGA are depicted in table III.

Based on the PLS-MGA results, there are no differences between these paths: NOPB \rightarrow LGBEX, LGBSAT \rightarrow LGBP, and LGBEX \rightarrow LGBSAT. Nonetheless, there are several differences found in the following paths: LGBEX \rightarrow LGBI and LGBI \rightarrow LGBP. Online Experience strength affects Online Interactivity stronger in Indonesia compared to Netherlands. Online Interactivity also influences Local Brands Preference Compared to Global Brands in Indonesia than in Netherlands.

Table II. Multi-group Analysis

Path	Path Coefficients		path coefficient differences	P-Value	Verdict
	Indonesia (n = 399)	Netherlands (n = 134)			
New Online Purchasing Consumer Behavior -> Local Brands Online Experience Better Than Global Brands	0.128	0.233	-0.105	0.357	No significant difference
Local Brands Online Customer Satisfaction Better Than Global Brands -> Local Brands Preference Compared to Global Brands	0.36	0.462	-0.102	0.671	No significant difference
Local Brands Online Experience Better Than Global Brands -> Local Brands Online Customer Satisfaction Better Than Global Brands	0.557	0.315	0.242	0.165	No significant difference
Local Brands Online Experience Better Than Global Brands -> Local Brands Online Interactivity Better Than Global Brands	0.771	0.533	0.238	0	Stronger in Indonesia
Local Brands Online Interactivity Better Than Global Brands -> Local Brands Preference Compared to Global Brands	0.495	0.273	0.222	0.016	Stronger in Indonesia

IV. RESULTS AND DISCUSSION

The two combined the tables, path coefficient and multi-group analysis, and all hypothesis summarized into the table below.

Table III. Summary of Hypothesis Result

Hypothesis	Result
H1. New Online Purchasing Consumer Behavior After COVID-19 Pandemic Positively Relates to Brand Experience	Accepted
H2a. Online Brand Experience Positively Relates to Customer Satisfaction	Accepted
H2b. The Effect of Online Brand Experience Towards Customer Satisfaction is Stronger in Indonesia Than in Netherlands	Rejected
H3a. Online Brand Experience Positively Relates to Brand Interactivity	Accepted



Hypothesis	Result
H3b. The Effect of Online Brand Experience Towards Brand Interactivity is Stronger in Indonesia Than in Netherlands	Accepted
H4. Customer Satisfaction Positively Relates to Brand Preference	Accepted
H5a. Brand Interactivity Positively Relates to Brand Preference	Accepted
H5b. The Effect of Brand Interactivity Towards Brand Preference is Stronger in Indonesia Than in Netherlands	Accepted

Hypothesis 1 is accepted, it proves an opposite relationship with several studies in the past from [50]–[52] which inferred the contrary, brand experience positively influences the shopping habit of customers. Those studies were done before the pandemic. During that period, it is true that consumers' experience in online shopping determined their intention to buy online in the future [53], [54]. A satisfying experience will increase their intention to online shop and therefore creates a new online shopping habit. However, the closure of physical stores and the implementation of social distancing measures during the COVID-19 pandemic have necessitated a shift towards online shopping, prompting customers to adjust their shopping habits [55]. Thus, customers attempt to adjust to the new habit affects what they experience.

Hypothesis 2a is accepted, it aligns with previous studies by Hussein, 2018 and Pratomo & Magetsari, 2018. A pleasant online experience with a fashion brand leads to customer satisfaction. It is complicated, especially for fashion brands, to please new customers who shop online by only the products quality. A competitive price and interesting promotion might attract them, however offering desirable experience is crucial for fashion brands to satisfy customers and develop preference for the future. However, hypothesis 2b is rejected because the p value of multi-group analysis is 0.165, greater than 0.05, indicating a not significant difference. Meaning the rapid advancement in terms of e-commerce in Indonesia [21] which make the customers experience it more doesn't necessarily create satisfaction more than in Netherlands.

Hypothesis 3a is accepted. This result is in line with previous studies by Loureiro et al., 2017 and Fernandes & Inverneiro, 2021. It demonstrates that customers online interactions with brands will surge along with the increasing online experience. Customers in Indonesia prefer to interact with local brands compared to global brands because they respond them in a quicker and more efficient manner. Meanwhile, customers in the Netherlands are more impressed because local brands make them feel more positive and happier. Also, hypothesis 3b states that the effect of online brand experience towards brand interactivity is stronger in Indonesia than in Netherlands, is accepted, because the p value of multi-group analysis is 0, lower than 0.05, indicating a significant difference. It proves studies by Khan et al. (2016) and Sadek et al. (2020) conversely. However, it validates that the high number of internet users [27] and the advancement of internet shopping in Indonesia [21], [28] promotes online brand experience during the pandemic which lead to higher interactivity.

Hypothesis 4 is accepted, as expected, contradicts with a study by Hellier et al. (2003) albeit aligns with what Fonda et al. (2022) and Ariwangsa & Mahyuni (2019) found. Customer satisfaction will increase their preference to the according brand. Based on the descriptive statistics, most Indonesian customers feel happy and satisfied buying local fashion brands since the covid-19 pandemic. Meanwhile customers in Netherlands feel local brands can fulfil their expectations and therefore make them satisfied upon purchasing it since the covid-19 pandemic. That satisfaction therefore creates their preference towards local fashion brands since then.

Hypothesis 5a is accepted. This result aligns with the result of Sheriff et al. (2018), Bansal & Pruthi (2021), and Kim et al. (2023). It is believed that customers preference toward a brand increase as their interactions with the brand escalates. The descriptive statistics results show that Indonesian customers would use local fashion brands more than global fashion brands due to their quick response and efficient manner. Meanwhile Netherlands customers like local fashion brands compared to global fashion brands and therefore would be inclined to buy them because of the positive and happy feelings it creates. Along with this, hypothesis 5b, which states that the effect of brand interactivity towards brand preference is stronger in Indonesia than in Netherlands, is accepted. This result aligns with a study by Gong (2018) which stated that engagement activities are affected by cultural differences. Indonesians are known to be highly value communication from brands to customers [38] and moreover they use social media to interact more



frequently than many other countries in the world [37]. Thus, the effect of local brand interactivity towards brand preference becomes more significant in Indonesia compared to Netherlands.

V. CONCLUSION

It has been argued throughout this study that there is a consumer behavioral shift due to the covid-19 pandemic, especially in their preference from global fashion brands to local fashion brands. It started with the government's restriction which required everyone to do everything from home, including shopping, to prevent the spreading of this virus. Thus, customers online shopping experience with fashion brands which used to affect their online shopping behavior reversed to the opposite direction. Local fashion brands which are operating online then benefit from this occurrence. Due to this pandemic, both Indonesian and Netherlands consumers' preference from global fashion brands start to shift to local fashion brands. This occasion should be maximized by business owners, including those who are planning on opening their business outside their home base when the pandemic starts to slow down and people begin to spend more of their money.

The PLS-SEM result has proven too that the online shopping customers experienced then later affects their satisfaction and interactivity with the brands. In the end, customers satisfaction and interactivity with local fashion brands determine their preference to local fashion brands. However, there is a slight difference with the results in Indonesia and Netherlands which is important for local fashion brands who wish to expand their business internationally, more importantly to developed Western European countries like Netherlands. Firstly, the effect of online brand experience towards brand interactivity is proven to be stronger in Indonesia than in Netherlands. Secondly, the effect of brand interactivity towards brand preference is stronger in Indonesia than in Netherlands. Thus, local brands which are planning on expanding their markets internationally can put aside interactivity a bit and focus more on satisfying their customers with high-quality products.

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