

ABSTRACT

The industry of mobile phone always showed drastic and tremendous development in the telecommunication market. New models of smartphone are launched to the market from time to time. Smartphone users are increase and sales of various brands of smartphones also increase. iPhone is the second largest market share worldwide. But in contrast to the world market share, in Indonesia iPhone is not included in 5 smartphone brands with the biggest sales in Indonesia.

To dominate the gadget market, companies need to know what factors influence purchase intention. This study was conducted on an electronic company that is Apple. This research find out how significant the influence of product feature, brand name, product price, and social influence towards purchase intention of iPhone in Indonesia

The type of this research is causal with quantitative research methods. Likert scale used to measure each item in the questionnaire as main data collection tool. The analysis technique used is structural equation model (SEM) with partial least square type (PLS). This study used a sample of 115 respondents with nonprobability sampling method.

The study reveals that only Product Features and Social Influence were factors which significantly influence the purchase intension of the iPhone. The influence on purchase intention is 49% and the remaining 51% are influenced by other variables.

This research has found that the most significant factors that influence the purchase intention of iPhone in Indonesia is Product Features. It means the company should make sure that features in iPhone can fulfill the customers satisfaction by optimizing the performance of the operating system which is iOS. For the further research, since the model used in this study has a moderate explanatory power which is 49%, further research who do reasearch on the same company to do a research on another Apple's products or other brand of smartphones.

Keywords: iPhone, Purchase Intention, Product Features, Brand Name, Price, Social Influence