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IN THE ASEAN ECONOMIC COMMUNITY”

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PREFACE

Thanks to God, with the almighty grace.

We are really grateful that the 4th Gadjah Mada International Conference of Economics and Business 2016 had been held successfully on November 25-27, 2016 by Faculty of Economics and Business Universitas Gadjah Mada at Jogja Plaza Hotel, Sleman, Yogyakarta. Tokens of appreciation should be rendered to our presenters, participants and all of you that made the event could be organized and carried out with the highest quality, comfort, and precision that we could give. Even though there are some mistakes that we did during the event, we apologize deeply for that. These Proceedings are compiled as a collection of all presenter's research papers. Showing the creativity of ideas that could also be seen as an art inside the field of science.

The theme of this year conference is "Research, Production, in Business Model Trilemma on ASEAN Economic Community," and this theme is manifested in the presented papers that are compiled in these proceedings, comprised of the scholarly work from this global environment and as well as the honorary speakers. Therefore, we would like to express our gratitude and credits to Journal of Indonesian Economy and Business Faculty of Economics and Business Universitas Gadjah Mada.

Professor Christopher Mannings (Crawford Schools, Australia Nationals University), Professor Dr. Mudrajad Kuncoro, M.Soc.,Sc. (Universitas Gadjah Mada), Dr.Satya P.Chattopadhyay Ph.D (University of Scranton) and Arie Setya Yudha (Molay Tacticals) for taking the time to contribute and share their expertise and experiences to the conference that have enriched our knowledge in this field.

All the scientists and researchers that have also contributed their research, ideas, results, and encouraging one another to learn more by sharing, learning, and discussion sessions. There were 119 papers from – different countries presented in the conference. Some of them have agreed to include their full papers in the proceedings.

The proceeding and presentations cover various topics, ranging from economics, marketing management, human resources management, financial management, operation management, supply chains management, and accounting.

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, December 2016.

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Comparing of Entrepreneurial Intention Student: Before and After taking
Entrepreneurship Course

Hujjatullah Fazlurrahman and Hafid Kholidi Hadi 924

A STUDY OF THE CONSUMER MOTIVE: WHY DO INDONESIAN CONSUMERS BUY PIRATED CD?

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ABSTRACT

The spreads of illegal music through internet received harsh criticism from musicians and record label companies. Piracy certainly has a devastating effect to the music industry; CD sales continue to decreasing globally and numerous recording companies are going bankrupt, leaving only a few big label companies. Since 2012 there are 3 major labels companies remain in the world which consists of Universal Music Group (UMG), Warner Music Group (WMG), and Sony Music Entertainment (SME), obviously it is a very small quantity compared to the past.

Music piracy has deeply rooted in Indonesia, leaving only 4.3 percent of legal music sales in the industry. Indonesian Songwriter and Singer Association (PAPRI) recorded in 2013 that piracy had caused loss of up to Rp4 trillion losses per year. Same thing happens in film industry where, based on Indonesian Film Producers Association (APROFI), piracy on a single film would cause around Rp4.3 billion of loss.

The objective of the research is to identify why people in Indonesia tend to buy pirated CD. In order to understand this, we conduct interview with 500 consumers of pirated CD live in Jakarta, Indonesia who are selected by purposive sampling method. To understand relation among variables, primary data analyzed by Path Analysis.

The research reaches a conclusion that Consumer motive has a significant role to form Consumer Purchase Intention; and consumer motive influenced by consumer moral judgment and consumer moral intensity but not consumer risk perception.

Keywords: *Purchase intention, Moral judgment, Consumer motive, Moral intensity, Risk perception*