CONSUMPTION VALUES, CONSUMERS ATTITUDE, BRAND PREFERENCE AND INTENTION TO PURCHASE HYBRID CAR AMONG MALAYSIAN CONSUMERS

By TEOH CHAI WEN

Thesis Submitted to
Othman Yeop Abdullah Graduate School of Business,
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ABSTRACT

This study focuses on the determinants of hybrid car purchase intention in the Malaysian automotive industry. This study conceptualizes consumption values as a multi-dimensional construct which consists of five dimensions of values, i.e. functional value, symbolic value, emotional value, novelty value, and conditional value. This study examines the relationships between consumption values, consumers’ attitudes toward the hybrid car, brand preference, and intention to purchase the hybrid car. This study also examines the role of attitudes toward the hybrid car as a mediator and brand preference as a moderator of intention to purchase the hybrid car. Including both the mediating and the moderating factors in this study allows a more precise description of the relationships between all the variables mentioned and the outcome of the study. This study involves 306 respondents from the Klang Valley. Out of the 17 hypotheses tested, nine are supported. The analyses reveal positive relationships between functional value, emotional value, and consumers’ attitudes toward the hybrid car and the intention to purchase it. Besides, a significantly positive relationship is found among functional value, emotional value and conditional value, and the consumers’ attitudes toward the hybrid car. Consumers’ attitudes toward the hybrid car mediate the relationship between functional value, emotional value and conditional value and the intention to purchase the hybrid car. On the other hand, brand preference does not moderate the relationship between consumers’ attitudes toward the hybrid car and the intention to purchase it. The study also highlights the implications and limitations of the study as well as the suggestions for future research.

Keywords: consumer attitudes, hybrid car, purchase intention, structural equation modeling and theory of consumption values.

Kata kunci: sikap pengguna, kereta hibrid, niat membeli, pemodelan persamaan struktural, dan teori nilai penggunaan.
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<tr>
<td>AVE</td>
<td>Average Variance Extracted</td>
</tr>
<tr>
<td>BP</td>
<td>Brand Preference</td>
</tr>
<tr>
<td>CA</td>
<td>Consumers’ Attitudes on Hybrid Car</td>
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<tr>
<td>CFA</td>
<td>Confirmatory Factor Analysis</td>
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<td>CR</td>
<td>Composite Reliability</td>
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<td>CV</td>
<td>Conditional Value</td>
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<tr>
<td>ECCB</td>
<td>Ecological Conscious Consumer Behavior</td>
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<td>EV</td>
<td>Emotional Value</td>
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<tr>
<td>$f^2$</td>
<td>Effect Size</td>
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<tr>
<td>FV</td>
<td>Functional Value</td>
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<tr>
<td>LL</td>
<td>Lower Limit</td>
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<tr>
<td>MPV</td>
<td>Multi-purpose Vehicle</td>
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<td>NV</td>
<td>Novelty Value</td>
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<tr>
<td>PLS</td>
<td>Partial Least Square</td>
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<tr>
<td>R&amp;D</td>
<td>Research and Development</td>
</tr>
<tr>
<td>$R^2$</td>
<td>R Square</td>
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<td>SEM</td>
<td>Structural Equation Modeling</td>
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<td>Sig.</td>
<td>Significant</td>
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<tr>
<td>SPSS</td>
<td>Statistical Package for Social Sciences</td>
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<tr>
<td>Std.</td>
<td>Standard</td>
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<td>SV</td>
<td>Symbolic Value</td>
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<tr>
<td>TAM</td>
<td>Technology Acceptance Model</td>
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<tr>
<td>TPB</td>
<td>Theory of Planned Behavior</td>
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<td>TRA</td>
<td>Theory of Reasoned Action</td>
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<td>UL</td>
<td>Upper Limit</td>
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<td>US</td>
<td>United States</td>
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<tr>
<td>VIF</td>
<td>Variance Inflation Factor</td>
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CHAPTER 1

INTRODUCTION

1.1 Chapter Overview

This chapter discusses issues related to green purchase intention in Malaysia. It begins with the background of the study, followed by problem statement, research objectives and research questions, scope of the study and significance of the study. The chapter ends by providing the definition of the terms and the organization of the thesis.

1.2 Background of the Study

Malaysia is one of the earliest countries in the world which is concerned about environmental issues. In 1974, Malaysia has taken a serious consideration regarding the environment by enacting the Environmental Quality Act. Later in 2009, the Malaysian government has established the Ministry of Energy, Green Technology and Water (KeTTHA) by Prime Minister Dato’ Sri Mohd Najib bin Tun Abdul Razak. The mission of this Ministry is to innovate and manage resources strategically thereby ensuring availability, accessibility, reliability and affordability or energy and water services and to champion the application of green technology and to promote green economy and green living. As an effort to achieve it mission, the ministry has enacted the National Green Technology Policy. Thereafter, Malaysian government has taken an approach for the sustainability of the environment which known as AFFIRM. This acronym stands for Awareness, Faculty, Finance, Infrastructure,
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