CONSUMER BUYING DECISION PROCESS :

A CUSTOMER PROFILE

OF

PROTON CARS BUYERS

FROM


A thesis submitted to the Graduate School in partial fulfillment
of the requirements for the degree

Masters of Science (Management)

by

James Phun Jin Eng.

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Abstrak.

Abstract.

The market domination of EON in the domestic passenger car market is not surprising given the company’s management rather proactive reactions and abilities towards changes in the business environment. This market share has been able to provide a database of customer information in the determination of this customer profile as it reflects the rising affluence of the Malaysian car buying population. Various marketing models were examined to provide some initial manifestation of the subject but not one single model has sufficiently explanted these purchasing decisions. The present chosen linear regression model has, however been able to provide an initial understanding that the influence of these variables - customer profiles - have a measurable ranking value. Namely what affects a customer in his decision to purchase a particular Proton model as distributed by EON. The final invoiced price which is determined by these customer profiles is thus, a manifestation of these influences. The presence of powerful statistical packages on the personal computers has made significant improvements in the analysis and the results were tabulated as such. The Bivariate Correlation analysis has indicated a linear regressed relationship among the variables used and the Pearson Product-Movement Correlation Coefficients can explained sufficiently if not fully the relationships of these correlation coefficients. A single major customer profile was not and could not be determined as there NOW exists different segmented markets for different Proton models sold This is also perhaps due to the nature of EON’s marketing practices. This initial limiting understanding was than further examined and a distinct customer profile was generated for a each particular Proton model as such. This linear regression model’s forecasting ability can be further developed and refined as need be. This must be seen against the perceived saturation level of the domestic car market and increased market competition in due time.
Acknowledgments

No mere words can do justice nor fully and faithfully describe the dedicated efforts of both my advisors cum supervisors towards the completion of this case study. They are Associate Professor Dr. Ibrahim Abdul-Hamid and Dr. Zolkafli Hussein to whom I hereby expressed my sincerest and deeply felt gratitude. Their wise and generous counsel and patient encouragement provided the greatest inducement for me to complete this work and in fact, my graduate studies. Their most kind and able guidance and benevolent patronage enable me to avoid the research confusion that were purely of my own making.

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I am honor-bound to Mr. Donald Choo, Executive Director of EON, who at one time in my career - enlightened me and insisted that I do more than sell cars. This is also true of Mr. Lee Wok Sang, Mr. Danny Wong, En. Mazlan Mansor and En. Norwin Mohd Nor who were most supportive of me going back to school.

There is also my outstanding obligation to Cik Salmah, Cik Nur Hasaniah, En. Azizan of the administrative staff in the Graduate School whose kindness and help I will not forget.

Last but not least, the dear friend, Mr. Ng Khoon Sie and those not mentioned hem but whose kindred spirits over the years have made ‘going back to school’ a most worth while and memorable experience.

May the good Lord bless you all!
Dedication.

Through the most difficult, bitter and uncertain of times, she and she alone, had stood beside me. Now this is my time to stand by her, my wife and closest confidante, Sharon Ong Beoy Choo. The happiest of times, she has shared this love through my children Stephen, Nicholas and Jennifer Phun.

My mother,

Madam Lily Goh Kwee Thye

and

in memory of my late father,

Aloysius Phun Yeat Choon.
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Chapter I
Introduction

There is without much doubt that Malaysia has proceeded much rapidly in its economic development. The annual Gross Domestic Product (GDP) is experiencing growth between 7% to 9% in the last few years. In Liden's (August 1992) article in Euromoney, the fact concurs and remains that this rapid rise in this country’s economic development has also seen a corresponding increase on the burden on the country’s present infrastructure. These increases could be attributed to the pent-up consumer demand which has also, seen a rapid increase in the ownership of private passenger cars on Malaysian roads.

Alternatively, the motorcar and its widespread usage is often referred to as a symbol of the development of a modern industrialized society. The availability of a motorcar endorses the benefits of enhanced mobility and diverse opportunities to the vehicle owner. At the same time, motor vehicle use also imposes significant environmental pollution burdens and animosity on others. Roads have now become bottlenecks and there are now observed traffic jams where there was none in the past in most towns in Malaysia. Additionally, the growth in motorcar usage and travel has been on the expense and detriment of other forms of land transport, which has to suffer increased traffic congestion and often reduced business patronage. Finally, the consequential decline in public transport has left many non car-owing households with poorer access to transportation and perhaps diminished welfare. (Button, Pearman & Fowkes, 1982)

This is the multi-faceted impact of high levels of car ownership on modern industrialized society which requires both improved transport planning and management techniques, which would sanction the benefits of maximum car ownership and at the same time try to restrain the adverse effects on the wider environment. Here, to formulate such planning and management policies, it is important and a requirement to thoroughly understand the influences determining car ownership patterns and forecasts future changes in this ownership patterns.
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