# Factors Affecting Brand Purchase Intention of Automobiles in Malaysia

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### ABSTRACT

Studies on customers' purchase intention has always been one of the most fascinating topics in marketing research because purchase intention has been considered as the most accurate predictor for forecasting actual purchase behavior. It is important to investigate this construct in the context of the Malaysian automobile market which is facing numerous uncertainties under the increasing pressure of globalisation. Proton and Perodua, the two Malaysian automobile brands, are losing their market shares to the other external brands from outside. However, compared to the other brands, automobile brands from Japan are showing good performance in terms of their market share. Therefore, this study aims to investigate customers' brand purchase intention of automobiles in the Malaysian context. A survey using self-administered questionnaires was conducted to 252 working adults in Klang Valley, Malaysia, and statistical analysis was performed to test the hypotheses. Brand Credibility (BC), Perceived Quality (PQ), Perceived After-Sales-Service Quality (PASSQ), Price Perception (PP), Resale Price Perception (RPP), Product Appearance (PA), and Subjective Norm (SN) were measured as the influencing factors. Brand Purchase Intention (BPI), the only dependent variable, was measured as a probability for repeat purchase on the same brand. The analysis showed that Brand Perception which consists of Brand Credibility and Perceived Quality is the most influential factor on brand purchase intention in Malaysia, followed by Subjective Norm, Price Perception and Product Appearance. The result also showed that Perceived After-Sales-Service Quality and Resale Price Perception have no significant influence on customers' purchase intention.

**Keywords:** Purchase Intention, Brand Credibility, Perceived Quality, After-Sales-Service, Price Perception, Product Appearance, Subjective Norm

# **1. INTRODUCTION**

Traditionally, automobile industry had been established by developed countries such as America and Europe. Nevertheless, the market share of American and European automobiles has reduced since the 21<sup>th</sup> century. On the other hand, automobiles made by Japanese, Korean and especially Chinese are continuously expanding their market share globally.

In South-East Asia, Malaysia is the only country that has two national automobile brands, specifically Proton and Perodua. The number of automobiles produced and sold in Malaysia has increased according to the ASEAN Automotive Federation (Statistics, 2014). Malaysia is the third motor vehicle selling and motor vehicle production country among ASEAN countries, after Thailand and Indonesia.

The automobile industry contributes significantly towards the economic growth of Malaysia. According to the Malaysia Automotive Institute (MAI, 2015), the automobile industry's contribution to the gross domestic product (GDP) in 2016 is 4% or RM40 billion. It is forecasted that the GDP of this sector will increase by 10% in 2020 (MAI, 2015). Malaysian Automotive Association (2015) announced that Proton and Perodua occupy half of the market share of Malaysia with Perodua having 33.2%, and Proton 19.7% in 2014. Nonetheless, the market share of Malaysian brands, Proton and Perodua, is shrinking continuously, giving their market portion to Japanese brands (Tong, Terpstra and Lim, 2012) despite the Malaysian government's support for national automobile brands.

In view of this intensive market competition, it is thus crucial for automobile makers to identify ways to preserve or expand their market share. Companies should identify the factors that can significantly influence customers' intention to purchase their products in order to survive in this globalised world.

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Studies on evaluating the intention to purchase automobiles are lacking especially in Malaysia. In addition, there has been no comprehensive model for understanding the way customer's purchase intention is formed, as the existing researches investigated only limited factors. To expand each firm's market share, it is essential to focus on critical factors on intention to purchase automobiles. Therefore, this study aims to investigate the factors influencing customers' brand purchase intention of automobiles in Malaysia.

Even though many researchers have proposed several factors which have an influence on the purchasing intention on vehicle market, such as brand credibility, brand equity, brand image, product quality, price perception, perceived service quality, depreciation rate, reputation, word of mouth, etc., these factors have been scattered in each study, not depicting a clear and comprehensive vision for managers to follow. Some researchers, such as Oliver and Swan (1989), Xuehua and Zhilin (2010), as well as Yongqiang, Xuehua, and Zhilin (2011) also stated that there might be several unidentified factors which would complement the dimensions used in their study of automobile purchase intention. Specifically, two crucial factors which could also have an influence on purchase intention which are resale price and product appearance have yet to be investigated especially on automobiles that is considered as durable products. Therefore, this research will add two new factors, resale price and product appearance, to give managers more clear goal. Furthermore, in spite of the fact that some researchers, for example Hong, Khan, and Abdullah (2013), Wong (2013), as well as Yee, San, and Khoon (2011) have explored the indicators that influence Malaysian automobile market, their studies produced limited results for managers to improve their market shares.

In order to address the research aim, seven factors were considered in this study, namely Brand Credibility, Perceived Quality, Perceived After-Sales-Service Quality, Price Perception, Resale Price Perception, Product Appearance, and Subjective Norm. Practically, the findings of this research may benefit the Malaysian automobile manufacturers in facilitating the implementation of competitive strategies, which in turn may encourage customers to purchase their products.

# 2. LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT

#### 2.1. Brand Purchase Intention

Purchase intention is defined as an individual's conscious plan which makes an effort to purchase a product (Spears & Singh, 2004). The Theory of Planned Behaviour (Ajzen, 1991) stated that attitudes toward the behaviour, subjective norm, and perceived behavioural control are important antecedents of the behavioural intentions. Based on this theory, this research will investigate the Perceived Brand Credibility, Perceived Quality, Perceived After-Sales-Service Quality, Price Perception, Resale Price Perception and Product Appearance which are considered as an attitude towards the behaviour and Subjective norm, all of which may affect Customers' Brand Purchase Intention to forecast the actual behaviour in the Malaysian automobile market.

#### 2.2. Brand Credibility

People nowadays tend to depend on brand credibility especially when they are choosing expensive and durable products like automobiles. In this situation, customers' brand credibility has much to do with customer choice (Erdem & Swait, 2004). It is Brand Credibility that contains the most important characteristic of a brand (Erdem & Swait, 2004). The credibility of a brand which communicate a signal about product positioning, is defined as the believability of the manufactured goods information incorporated in a brand, requiring that the brand has the capability (i.e., expertise) as well as willingness (i.e., trustworthiness) to uninterruptedly convey the thing which has been guaranteed (Erdem & Swait, 2004). To increase brand credibility, corporations should enhance expertise, trustworthiness, and attractiveness for customers (Xuehua & Zhilin, 2010).

In addition, Xuehua and Zhilin (2010) pointed out that brand credibility has an affirmative impact on customers' brand purchase intention. Yongqiang et al. (2011) also stated that corporate-brand credibility has more impact on the customers' purchasing intention in the Chinese automobile market. Another interesting research performed by Sullivan (1998) stated that automobiles which are physically the same with different brands have different resale values, insisting that the difference of the price is caused by their different brand name. Hence, it is highly reasonable to explore Brand Credibility toward intention to purchase automobiles.

H<sub>1</sub>: Brand Credibility has a positive effect on customers' brand purchase intention.

#### 2.3. Perceived Quality

Reliability and durability of a car are among the most important consideration in purchasing an automobile (Yee et al., 2011). In addition, a high quality automobile is perceived as a car which adopt cutting-edge technology and has a high performance.

It is believed that this type of automobile provides contented experience and help customers avoid undesirable fixing charges (Yee et al., 2011).

Perceived quality is one of the vital measurements of brand equity which is assumed to lead to the corporations' continuing profitability (Aaker, 2012). Perceived quality is the customers' emotional finding about an entity's or a service's general advantage or distinction rather than the actual quality of the brands or product (Aaker, 2012). Cole and Flynn (2009) also stated that perceived quality is the purchaser's personal decision (overall emotion) about the general quality of a manufactured goods or service on its intended purpose, relative to substitutions. In addition, the perceived quality in corporations is an important asset which substantially contributes to a company's brand equity (Cole & Flynn, 2009). Cole and Flynn (2009) also argued in their research that good quality provides good reasons for customers to purchase.

In the study of Shah and Regassa (2010), the high overall quality in automobile industry results in a high level of customer satisfaction, having a higher rate of growing revenue, greater profit, lower cost of performance. Recently, Wang, Wang, and Hao (2013a) showed that when purchasing a New Energy Vehicle in China, the intrinsic essence of the products and cost factors are significant factors on the intention to buy a New Energy Vehicle. In addition, many studies established that the perceived quality of vehicle has a direct influence on the overall level of customer satisfaction which in turn increases the profitability (Mahapatra, Kumar, & Chauhan, 2010; Yu, Lei-Yu, Yu-Ching & Tai, 2005). Therefore, it is crucial to study the relationship between Perceived Quality of automobiles by brands and Customers' Brand Purchase Intention.

H<sub>2</sub>: Perceived Quality of automobiles has a positive effect on Customers' Brand Purchase Intention.

## 2.4. Perceived After-sales-service Quality

According to Wang et al. (2013a), it has been commonly agreed that well established after sales service system directly reflects the self-reliance of a business about their services and merchandises. Wang et al. (2013a) also underlined the fact that high quality after sales service can show the value or quality of their products, which in turn increases the customers' satisfaction. The effects of after sales service and warranty are also important factors when customers are choosing automobiles. According to Zeithaml, Berry, and Parasuraman (1996), improving service quality has a positive impact on increasing favourable behavioural intentions and decreasing unfavourable intentions. Kaili et al. (2007) also supported the significance of after-sales-service quality in the automobile service and the repair markets in Taiwan. In their study, the researchers found that it was perceived price fairness, perceived product quality, and the employee–customer interaction that have a significant impact on customer satisfaction. Consequently, the following hypothesis is proposed.

H<sub>3</sub>: Perceived After-Sales-Service Quality of automobiles has a positive effect on Customers' Brand Purchase Intention.

# **2.5. Price Perception**

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Price is another fundamental factor in contributing to customer's purchase intention. However, when we consider buying a vehicle typically which requires customers' multi-attribute assessment process, perceived prices are used rather than actual price (Erickson & Johansson, 1985). Studies on the influence of price perception in many industries such as banking are quite extensive. Wang et al. (2013a), for instance, have found that in addition to quality, product cost is an important factor which has a high impact on the purchasing new energy vehicle in China. Kaili et al. (2007), who inspected automobile service and repair market, also concluded that perceived price fairness have a positive influence on customer loyalty. Han and Ryu (2009) also found that price perception enhances customer satisfaction and customer loyalty in the restaurant industry. When it comes to online shopping mall, customer price perception is crucial factor which directly impacts on the customer overall satisfaction and the intention to return the E-retailers (Jiang & Rosenbloom, 2005).

Price can play another important role in the market. Interestingly, price can indirectly show the quality of a product especially when information which is related to quality-related attributes is rarely available (Erickson & Johansson, 1985). On the contrary, in their study, price also has a role of an important constraint on the purchase behaviour when customers consider the products consumption as having a major impact on their budget such as purchasing of an automobile. Maddox (1981) also reinforced that price would have a significant influence on customers' dissatisfaction. As a result, we expect that the Price Perception of automobiles by brands might be one of the factors which influence the automobile purchase intention.

 $H_4$ : Price Perception of automobiles has a positive effect on Customers' Brand Purchase Intention.

#### 2.6. Resale Price Perception

Automobiles are durable products which typically have disposal value. The resale price can be defined as the price the owner can get which reflected by its depreciation (Dardis & Soberon-Ferrer, 1994). In general, the higher the depreciation rate, the lower the resale value of the car (Dardis & Soberon-Ferrer, 1994). Therefore, in addition to the price of automobile, the depreciation which is closely related to the resale value can be another factor which influences customers' purchase intention.

Cole and Flynn (2009) found that in the U.S. automobile market, the resale value of European and Japanese automobile is even higher than the other American manufacturers' vehicles, which is consistent with the Japanese manufacturers' high brand equity, which in turn raises the customers' intention to purchase Japanese vehicle. In the study of Prado (2009), the researcher found that vehicles from different automobile brand have different resale value. For example, in the European automobile market, the researcher specified that Audi A4 has a better resale valuation than the Ford Focus. As a result, resale value can also have something to do with customer purchase intention in automobile industry.

Even though Rhee and Haunschild (2006) argued that the effect for the depreciation reputation is slightly significant on market change in the U.S. automobile industry, Dardis and Soberon-Ferrer (1994), in their research of automobile in USA, debated that if the depreciation rate of one brand is lower than the others, the resale value of the brand is higher than the others. Furthermore, Propfe, Redelbach, Santini, and Friedrich (2012) derived the information when studying the hybrid car market that people who purchase hybrid vehicles in spite of high acquirement price expect a higher resale value. Thus, the Resale Price Perception of automobiles might be one of the factors which have an influence on automobile purchase intention.

H<sub>5</sub>: Resale Price Perception of automobiles has a positive effect on Customers' Brand Purchase Intention.

#### 2.7. Product Appearance

When we see a new product, the first thing we perceive is usually the design of the product. It is a well-known fact that if there is little difference in terms of brand value, quality and price, people would choose a product based on design quality. Products are preferred when the typicality and novelty of the design have optimal combination of each other (Hekkert, Snelders, & Van Wieringen, 2003).

Product appearance has a positive influence on purchasers' taste and quality decisions (Dawar & Parker, 1994; Page & Herr, 2002). Product appearance also has effects on customers' satisfaction (Maddox, 1981). Häubl (1996) also indicated that the perception of the new vehicle's design to the assessment of its other features was discovered to be very substantial. Furthermore, the assessment of the automobile's design also proved to possess an influence on the attitude towards the new model as well as the behavioural intention pertaining to the vehicle (Häubl, 1996).

Arboleda and Alonso (2014) insisted that to increase purchase intention, when firms are in the product development and launching stages, attention should be given to basic design aspects to improve the usefulness and attractiveness, as well as to differentiate the characteristics which transfer the object as creative and meaningful to customers. Kim and Karpova (2010) also supported the fact that product appearance has a positive influence on attitude toward purchasing goods in their study of fashion counterfeit. Townsend, Kang, Montoya, and Calantone (2013) also stated that the product design of an automobile which consists of form and function have an impact on customers' opinion. Löffler and Decker (2012) supported the importance of the design of a product, especially in the automobile market, saying that the design of an automobile determines the customers' first impression of the automobile. Therefore, the design quality has an ability to communicate product advantages (Löffler & Decker, 2012). The authors also elaborated that because of intensive competition, car manufacturers produce a variety of body styles including from traditional car concepts like saloon, station wagon and coupe to new body styles such as sports activity sedans (SAV) and cross utility vehicles (CUV) in order to adapt to market circumstances.

In the study of web site features, Kim, Kim, and Kandampully (2009) have found that a web site design not only let customers have access to the web site easily but also provides a hedonic value affecting e-satisfaction. In addition, the researchers also found that e-satisfaction has a positive impact on e-loyalty. Besides, in the study of Artacho, Ballester, and Alcantara (2010) the researchers concluded that minor changes of a product's attributes such as height, colour, diameter have a significant influence on customers' purchase intention.

H<sub>6</sub>: Product Appearance of automobiles has a positive effect on Customers' Brand Purchase Intention.

#### 2.8. Subjective Norm

As discussed earlier in TPB, Subjective Norm has a direct impact on individual's intention which can influence the actual behaviour (Ajzen, 1991). According to Ajzen (1991), subjective norm, termed as a social factor, is defined as the perceived social force either to perform or not to perform the behaviour.

In the study of Tarkiainen and Sundqvist (2005) pertaining to buying organic food, the researchers found subjective norms indirectly influence the purchasing intention over attitude formation. Hansen, Møller Jensen, and Stubbe Solgaard (2004) also supported Tarkiainen and Sundqvist (2005)'s study, by stating that the theory of planned behaviour when it includes a route from subjective norm to attitude offers the best model to the data on online grocery ordering intention. Hong et al. (2013) and Wang, Wiegerinck, Krikke, and Zhang (2013) asserted that there was no or little relationship between the subjective norm and the purchase intention in each of the study adopting hybrid vehicle and remanufactured product. In addition, Mahon, Cowan, and McCarthy (2006) concluded that the subjective norms conduct vital roles for ready meal consumption. However, it is not important for takeaway consumption.

Nevertheless, Ozaki and Sevastyanova (2011) found the fact that social norms and customers' willingness to comply with the norms of their groups predicted the customers' hybrid vehicle purchasing decision. In addition, when it comes to fashion counterfeits purchasing intention, Kim and Karpova (2010) discovered that subjective norm performed as the most crucial forecaster of purchase intention, implying that social pressures can be of significant influence on purchase intention. Lim, Yap, and Lee (2011) also confirmed that the subjective norm was significantly associated with the intention to shop online. As a result, customers tend to be influenced by information from friends, neighbours, family, and the people around them, thus affecting their purchase intention.

H<sub>7</sub>: Subjective Norm on purchasing an automobile has a positive effect on Customers' Brand Purchase Intention.

Figure 1 illustrates the research framework and hypotheses for this study.

#### **3. METHODOLOGY**

The framework of this study adapted the theory of planned behaviour (TPB) with slight modifications to predict the customers' purchase intentions of automobiles in Malaysia. Quantitative approach with survey questionnaire was used for data collection purpose. The questionnaire was designed based on previous studies and the constructs were measured using the 7-point Likert scale. The seven independent variables selected for this research are Brand Credibility, Perceived Quality, Perceived After-Sales-Service Quality, Price Perception, Resale Price Perception, Product Appearance and Subjective Norm. The dependent variable is Customers' Brand Purchase Intention. Table 1 summarizes the operationalization of the constructs used.

All the variables were measured via self-administered questionnaire. Prior to actual data collection, 10 automobile owners who have experience in buying an automobile were randomly selected for a short interview. They were asked to review and give comments on the questionnaire. In general, the respondents could clearly understand the instructions and sentences in the

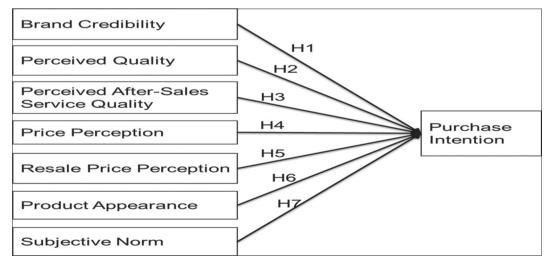


Figure 1: Research framework and hypotheses

Section	Table 1 : Operatio           Variable		<b>Items</b> 10		Source	
A	Personal profile				-	
В	Brand credibility	Expertise	2	7	Erdem and swait (2004)	
		Trustworthiness	5			
С	Perceived quality		6	4	Jalilvand samiei and mahdavinia (2011)	
				2	Erdem and swait (2004)	
D	Perceived after sales service quality			7	Kaili et al. (2007)	
E	Price perception		5	3	Herrmann xia, monroe and huber (2007)	
				2	Han and ryu (2009)	
F	Resale price perception	l	5	3	Herrmann et al. (2007);	
				2	Han and ryu (2009)	
G	Product appearance		5	3	Kim and karpova (2010)	
				2	Mugge and schoormans (2011)	
Н	Subjective norm		5	3	Kim and karpova (2010)	
				2	Hansen et al. (2004)	
I	Purchase intention			3	Jalilvand et al. (2011)	
	Total		4	3		

questionnaire. Subsequently, a pilot test was conducted to measure the reliability among items using Cronbach's coefficient alpha. It was found that all the alpha values were above 0.8, which is considered preferable (DeVellis, 2012).

Based on convenient sampling method, the questionnaires were distributed to both automobile and non- automobile users in Klang Valley area. The questionnaire also gathers respondents' relevant demographic profile for the study. The data were then analyzed using the IBM SPSS version 24.

# 4. RESULTS

Of 300 distributed questionnaires, only 252 were completed and usable for further data analysis, indicating a response rate of 84%. The demographic profile of the respondents shows that majority of them were female (52.6%), from age group of 26-30 years old (31.6%), Chinese (39.2%) and possess higher degree (50%) and live with family of 3 to 5 people (50.8%). Table 2 and 3 below show the profile of the respondents.

Majority of the respondents work in private sector (46%), with an income level between RM5001-RM8000 per month (23.3%), own two automobiles (35.9%), 21.8% owns Proton while 21.4% owns Toyota. However, when the brands are grouped into countries, the Japanese brands account for 48% of the total respondents, followed by Malaysian automobile brands which take up 38.3% of the total respondents. 52.4% of the respondents have intention to purchase an automobile in the coming 2 or 3 years.

Figure 2 below depicts the mean value of each variable on big four brands in Malaysia. The two Japanese automobile firms have a superior perception from customers on all attributes to the Malaysian brands. Furthermore, Proton is showing a considerably poor performance especially on Brand Perception, Resale Price Perception, Subjective Norm, and Brand Purchase Intention scores. In addition, Proton has the worst Resale Price Perception, which could also indicate that Proton has the highest depreciation perception among big four brands.

#### 4.1. Factor Analysis

In this study, Factor Analysis is performed on both the independent and dependent variables. Principal component analysis and varimax rotation techniques were selected. Overall, the results shows that the KMO values for the seven independent variables (Brand Credibility (BC1-BC7), Perceived Quality (PQ1-PQ6), Perceived After-Sales-Service Quality (PASSQ1-PASSQ7), Price Perception (PP1-PP5), Resale Price Perception (RPP1-RPP5), Product Appearance (PA1-PA5) and Subjective Norm (SN1-SN5)) and independent variable (Brand Purchase Intention- BPI1-BP3) exceed 0.8, and the Bartlett's test of sphericity are significant (p=0.000).

???	Frequency	Percentage
Gender		
Male	117	46.4
Female	130	51.6
Age		
18-25	52	20.8
26-30	79	31.6
31-37	78	31.2
38-44	34	0.13.6
45-50	2	8
51-57	4	0.1.6
57 and above	1	0.4
Ethnicity		
Malay	90	36.0
Chinese	98	39.2
Indian	26	10.4
Others	36	14.4
Education level		
High school and below	6	2.4
Diploma	14	5.6
Undergraduate	104	41.9
Postgraduate	124	50.0
Family type		
Living alone	52	20.8
couple	39	15.6
3-5 people	127	50.8
Two generations of family	24	9.6
Three or four generations under one roof	8	3.2

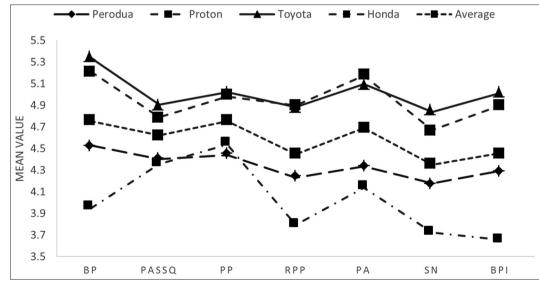


Figure 2: The mean value of each variable on big four brands

For the independent variables, six factors have eigenvalues more than 1 with Total Variance Explained of 75.21%. This suggests that only six factors should be considered. Based on the Rotated Component Matrix, we can clearly see that all the items from Brand Credibility (BC) and Perceived Quality (PQ) belong to one factor and the other items belong to their own construct.

A

???	Frequency	Perce
Occupation		
Government sector	36	1
Private sector	114	4
Self employed	18	
Unemployed	3	1
Student	72	2
Others	5	2
Monthly income		
RM1,500 and below	45	2
RM1,501-3,000	27	1
3,001-5,000	47	2
5,001-8,000	52	2
8,001-11,000	20	ç
11,001 and above	32	1.
Number of automobile in a household		
0	20	8
1	66	2
2	89	3
	73	2
3 and above	75	2
Brand: malaysian (95)		
Perodua	41	1
Proton	54	2
Brand: japanese (119)	52	2
Toyota	53	2
Honda	47	1
Nissan	8	3
Mazda	5	2
Mitsubishi	3	1
Subaru Suzuki	2	0
	1	(
Brand: korean (13)	7	
Kia	7	2
Hyundai	6	2
Brand: others (21) Land rover	1	(
	1	
Volkswagen	4	1
Peugeot	2	(
Benz	4	1
Chevrolet	1	(
Ford	3	1
BMW	6	2
Plan to buy an automobile in the coming 2 or 3 years		
Yes	130	5.
No	118	4

This might be due to the fact that Perceived Quality is one of the important measurements of Brand Equity which has similar attributes with Brand Credibility (Aaker, 2012). To clarify the relationship between these two variables (Brand Credibility: BC and Perceived Quality: PQ), the scatterplot and correlation were examined. It was found that the two variables are strongly correlated (0.833). Therefore, in this study, Brand Credibility (BC1-BC7) and Perceived Quality (PQ1-PQ6) were merged into one construct named Brand Perception (BP).

# 4.2. Reliability

The internal consistency of the items representing the final constructs was examined through Cronbach's alpha coefficient. Overall, all the constructs have Cronbach's alpha coefficients of above 0.8 which indicate a consistent and stable internal consistency (Pallant, 2016). Results are tabulated in Table 4 below.

#### 4.3. Multiple Regression Analysis

Multiple regression analysis is used to investigate the relationship between the six independent variables namely Brand Perception (BP), Perceived After-Sales-Service Quality (PASSQ), Price Perception (PP), Resale Price Perception (RPP), Product Appearance (PA) as well as Subjective Norm (SN) and Brand Purchase Intention (BPI). The results are presented in Table 5 below.

Based on the table above, it is found that 69.3% of the total variance in the customers' brand purchase intention (BPI) can be explained by the six independent variables which are Brand Perception (BP), Perceived After-Sales-Service Quality (PASSQ), Price Perception (PP), Resale Price Perception (RPP), Product Appearance (PA) and Subjective Norm (SN). Since the p-value is 0.000 (< 0.05), the null hypothesis is rejected, which indicates a significant relationship between the independent variables and the dependent variable. The tolerance value and Variance inflation factor (VIF) were also observed to see how much of the variability of the detailed independent variable is not explained by the other independent variables (Pallant, 2013). In this study, all the tolerance values are above 0.1 and VIF are less than 10, suggesting no possibility of multicollinearity.

Table 4: Reliability test after factor analysis					
Number	Constructs	Number of Items	Cronbach's Alpha		
1	Brand perception ( $BP = BC + PQ$ )	13	0.912		
2	Perceived after sales service quality (PASSQ)	7	0.901		
3	Price perception (PP)	5	0.825		
4	Resale price perception (RPP)	5	0.839		
5	Product appearance (PA)	5	0.903		
6	Subjective norm (SN)	5	0.917		
7	Brand purchase intention (BPI)	3	0.853		

#### Table 5 : Multiple regression analysis

Model	Unstandardized coefficients		Standardized coefficients	t	Sig.	<b>Collinearity statistics</b>	
	В	Standard error	Beta			Tolerance	VIF
(Constant)	-0.557	0.234		-2.376	0.018		
BP	0.474	0.070	0.405	6.793	0.000	0.353	2.835
PASSQ	0.029	0.066	0.024	0.438	0.662	0.432	2.316
PP	0.183	0.059	0.165	3.105	0.002	0.444	2.252
RPP	-0.012	0.046	-0.012	-264	0.792	0.625	1.600
PA	0.096	0.043	0.105	2.252	0.025	0.573	1.745
SN	0.316	0.045	0.316	7.000	0.000	0.615	1.627

 $R^2 = 0.693$ 

Adjusted  $R^2 = .685$ 

F-statistics = 92.092

Sig. level = 0.000

The results of the multiple regression analysis suggest that Brand Perception ( $\beta = 0.405$ , p < 0.05, t = 6.793), Price Perception ( $\beta = 0.165$ , p < 0.05, t = 3.105), Product Appearance ( $\beta = 0.105$ , p < 0.05, t = 2.252) and Subjective Norm ( $\beta = 0.316$ , p < 0.05, t = 7.000) were found to be positively and significantly influenced the customer's Brand Purchase Intention. Therefore, H1, H2, H4, H6 and H7 are supported.

On the other hand, Perceived After-Sales-Service Quality ( $\beta = 0.024$ , p > 0.05, t = 0.438) and Resale Price Perception ( $\beta = -0.012$ , p > 0.05, t = 0.792) were found to be not significant. Therefore, H3 and H5 are not supported, suggesting that the Perceived After-Sales-Service Quality and Resale Price Perception have little effect on customers' Brand Purchase Intention. In addition, the results also show that Brand Perception is the main contributor to Brand Purchase Intention. This can be seen from the highest Beta value of Brand Perception ( $\beta = 0.405$ ), followed by Subjective Norm ( $\beta = 0.316$ ), Price Perception ( $\beta = 0.165$ ) and Product Appearance ( $\beta = 0.105$ ). The findings are summarized in Table 6 as follows.

#### 5. DISCUSSION AND CONCLUSION

This paper aims to investigate the factors that influence the customer's brand purchasing intention of automobiles in Malaysia. The findings of this study provide the car manufacturers with information on the factors that should be considered in order to expand their market share. Through this study, it has been found that Brand Perception which was originally merged from Brand Credibility and Perceived Quality is the most important factor that influence the intention to purchase the automobile. Therefore, managers should concentrate on increasing their brand perception by increasing brand credibility and quality of their products, which in turn will make people believe that their brands have the ability to deliver what exactly the customers ordered. This finding of Brand Credibility is consistent with the result by previous researchers such as Erdem and Swait (2004), Yongqiang et al. (2011) and Xuehua and Zhilin (2010) who asserted the importance of Brand Credibility and Sullivan (1998) who found the influence of Brand Name on consumers. In addition, the importance of Perceived Quality is also supported by previous researchers such as Mahapatra et al. (2010) and Yu et al. (2005).

Interestingly, this study has found that subjective norm has the second strongest relationship with brand purchase intention. It can be explained that people tend to trust on the information and recommendation from their acquaintances. This result is consistent with the result of Herr, Kardes, and Kim (1991) where they found that face-to-face communication which is defined as word of mouth has more impact on customers. Although Hong et al. (2013) have found no relationship between subjective norm and the purchase intention, the result of this study is consistent with Kim and Karpova (2010) and Lim et al. (2011).

This study also found that the third important factor is Price Perception. This result is supported by Wang et al. (2013a) and Kaili et al. (2007) who specified that perceived price fairness has a positive impact on purchase intention. Product Appearance also plays an important role on customer's brand purchasing intention. This finding is consistent with other empirical findings in Kim and Karpova (2010), Kim et al. (2009), as well as Mugge and Schoormans (2011).

Apparently, two factors which are Perceived After-Sales-Service Quality (PASSQ) and Resale Price Perception (RPP) have no significant influence on customers' purchase intention on automobiles, thus leaving no impact on certain brand. The result on PASSQ is inconsistent with previous research results of Zeithaml et al. (1996) and Kaili et al. (2007). This might be due to the fact that there are variety of choices of private service centers in Malaysia, thus people become less sensitive to the after-sales-service quality of their automobile brands. As for the RPP, the findings suggest that if people believe their automobile brand has a higher depreciation perception, which means their automobile's disposal value is lower compared to the other brand, then it is likely that they have a lower intention to purchase the same brand.

#### Table 6 : Hypothesis and conclusion Hypothesis Conclusion H1: Brand credibility has a positive effect on customers' brand purchase intention. Supported H2: Perceived quality of automobiles has a positive effect on customers' brand purchase intention. Supported H3: Perceived after-sales-service quality of automobiles has a positive effect on customers' brand purchase intention. Not supported Supported H4: Price perception of automobiles has a positive effect on customers' brand purchase intention. H5: Resale price perception of automobiles has a positive effect on customers' brand purchase intention. Not supported H6: Product appearance of automobiles has a positive effect on customers' brand purchase intention. Supported H7: Subjective norm on purchasing an automobile has a positive effect on customers' brand purchase intention. Supported

In this research, the samples are selected from Klang Valley area only. It is thus suggested that future research should be conducted in other locations in Malaysia. In addition, this research found that if people perceive that their automobile brand have a high depreciation rate, they are less likely to purchase the same brands in the future. However, the result of Multiple Regression Analysis shows that Resale Price Perception has no significant influence on Brand Purchase Intention. Therefore, it would be interesting for future research to develop new items for Depreciation Perception and to examine the effect of this construct on Brand Purchase Intention.

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