### THE INFLUENCE OF CUSTOMERS' ATTITUDES AND SUBJECTIVE NORMS ON THEIR INTENTION TO BUY NATIONAL CARS

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#### **DECLARATION OF ORIGINAL WORK**

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#### Hereby, declare that:

- This work has not previously been accepted in substances for any degree, locally or overseas and is not being concurrently submitted for this degree of any other degrees
- This project paper is the result of my independent work and investigation, except where otherwise stated.
- All verbatim extracts have been distinguished by quotation marks and sources of my information have been specifically acknowledged.

Signature: Date: 30 APRIL 2007

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#### 1.0 INTRODUCTION

#### 1.1 Background and Scope of the Study

"There never was in the world two opinions alike, no more than two hairs or two grains; the most universal quality is diversity"-Michel De Montaigne. This quote refers to the diversity of people in many different ways. They not only diverse by age and gender, by race and nationality, by education and occupation, by marital status and living arrangements, but also in their activities and interests, their preferences and opinions. They differ in the music they like, the television shows they watch, the political beliefs they hold and even the clothing they wear.

This study was brought up in order to identify the customers' attitudes towards national cars and how much subjective norm can influence their attitudes, hence drive to their intention to buy national car. Apart of it, this study is to test the extension of the Theory of Planned Behavior (TPB) by Martin Fishbein and Icek Ajzen in a national car buying context. According to the theory, the most important determinant of a person's behavior is behavior intent. The individual's intention to perform behavior is a combination of attitude toward performing the behavior and subjective norm.

National cars refer to the local manufactured cars by two local automotive companies that are Perusahaan Otomobil Nasional Berhad (PROTON) and Perusahaan Otomobil Kedua Sdn. Bhd. (PERODUA). The portfolio of PROTON and PERODUA models include Proton Waja, Proton Gen-2, Proton Wira, Proton Savvy, Perodua Kancil, Perodua Kelisa, Perodua Kenari, Perodua Myvi and another few models.

The addition of a third determinant of behavioral intention in TPB is perceived behavior control which is identified as perceived product attributes in this study. People are not likely to form a strong intention to perform the behavior if they believe that they do not have any resources or opportunities to do so even if they hold positive attitudes toward

#### 1.3 Objectives of the Study

In summary, the general objective of this research is to determine the relationship between customer's attitudes and subjective norms in influencing their intention to buy national car those are Proton and Perodua vehicles. It is hoped that the findings from this research can be a useful source for both companies to have a better understanding toward their customer's behavior. To elaborate further, we could categorize the objectives into the following:

- 1.3.1 To examine the customer's attitude towards national car.
- 1.3.2 To identify the relation of subjective norms in influencing customer's attitude and their intention in buying national car.
- 1.3.3 To identify the influence of product attribute towards customer's intention to buy national car.

#### 1.4 Research Questions

- i) How is customer's attitude towards national car?
- ii) How subjective norms can affect the customer's attitude and influence their intention to buy national car?
- iii) What are the product attributes that can influence the customer's attitude and affect their intention to buy national car?