



**FACTORS INFLUENCING CONSUMERS' PREFERENCE ON  
CHOOSING HYBRID CARS : A CASE STUDY OF GREATER  
TAMPIN OTO SDN BHD (GTO HONDA TAMPIN)**

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## LETTER OF TRANSMITTAL

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Dear Madam,

### **SUBMISSION OF PROJECT PAPER**

Attached is the research report title 'Factors Influencing Consumers' Preference on Choosing Hybrid Cars, A Case Study of Greater Tampin Oto Sdn Bhd (GTO Honda Tampin)' to fulfil the requirement as needed by the Faculty of Business Management, Universiti Teknologi MARA.

Thank you.

Yours sincerely



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## ABSTRACT

### **FACTORS INFLUENCING CONSUMERS' PREFERENCE ON CHOOSING HYBRID CARS : A CASE STUDY OF GREATER TAMPIN OTO SDN BHD (GTO HONDA TAMPIN)**

The intent of this study is to arbitrate the factors influencing consumers' preference in choosing hybrid cars from Honda. The study will appraise the precise relationship between eight criteria which is brand, price, knowledge, efficiency, oil price changes, environmental awareness and maintenance cost with consumers' preference to purchase a hybrid car from Honda. A survey of 80 respondents has been conducted at Greater Tampin Oto Sdn Bhd, Honda authorized dealer showroom that located at No 3, Jalan Meranti Lestari, Taman Meranti Lestari, Kota, Negeri Sembilan. Simple regression, descriptive analysis and pearson correlation has been used to test the hypotheses developed and research question. By having a better understanding of the consumers' preference to purchase a hybrid car, the automobile industry especially Honda Ccompany cari make better marketing approach and allocation of budget in order to attract consumer to purchase a hybrid cars. The findings indicate that among the eight independent variables, only brand and self-image are significant towards the dependent variable. As such, between the two significant variables, brand indicates to be having the highest relationship and contribute as the highest factor influencing consumers' preference in choosing a hybrid car.

**Keywords :** consumer preference, hybrid car, Honda

## CHAPTER 1 : INTRODUCTION

### 1.1 Background of Study

These day, there are lot of environmental ravaging happens due to the human actions and development activities comparatively from the waste, transportation, industry and everyday living. Every day, public need to suffer the painful truths when water, land, sound and air is polluted all the time. No end of, problems that happens like the greenhouse effect that precisely lead to the global warming happen when the pollution are released into the atmosphere. The effect of global warming can be seen from the melting of ice in the north and south poles which cause rising in the sea water level and then lead to the landslide, intense flooding and other catastrophe. Referring to New Straits Times newspaper (10th November 2017, 1st January 2018, 5th January 2018, 24th January 2018), flash flood at all times hit the high developed city like Seremban, Kuantan, Penang and Kuala Lumpur. It is true that a few natural causes just like the geothermal vents and volcanic hotspots are also a part of the global warming causes, but still lot of the issues stated before results in massive quantities of greenhouse gases that the world's population has produced in the past few centuries.

On the contrary, transportation is one of the vital element at this time in living but there are an effects for every vehicle manufactured when the usage and production of the vehicle causing the gas emissions produced while being made and driven on the road. The emitted gases caused the large holes in the ozone layer of the earth's atmosphere. Furthermore, the increasing of the smog levels lead the air quality decreasing. In the meantime, a steady increase of these gases would head to many other disastrous effects to the planet.

Among the ASEAN countries, Malaysia is the second largest country that emit the greenhouse gases and with the fact that Malaysia also drag a big portion of nationwide greenhouse gas (GHG) emission make Malaysia committed in reducing 40% of the greenhouse gas emission by the year of 2020 (Shamsuddin, Anil & Othman, 2014). The impetus to grow the green technologies stems from the fact that the planet atmosphere changing rapidly and from the negative changes society has realize that they need to do something in order to control the