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Factors Influencing Northern Region Bumiputra Consumers Purchase Intention of Global Brands

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INTRODUCTION

Global brands like McDonalds, Samsung, Uniqlo, Toyota and Starbucks have long entered the Malaysia market. Consumer acceptance for these global brands are relatively strong but today's hyper-connectivity and globalization trend brings harsher competition. Capturing a market throughout the world is not an easy task for any company. Going global and making consumer purchase your brand takes more than just being present. Majority of global brands nowadays face strong competition from local brands. In developing markets like Malaysia, global brands are seen as having more potential in capturing local consumption as consumers seem to accept and adopt the presence of global brands better. Globalization enables businesses to compete worldwide and signifies a dramatic change in consumer behavior. The dynamics of consumer behavior is gradually altered and consumers are indulged with variety of products and services. Purchasing is somehow made easy with an enormous spread of local and global brands.

PURPOSE/AIM & BACKGROUND

This paper examines the factors influencing consumer purchase intention of global brands. The study hypothesizes that perceived quality, subjective norms and sales promotion respectively significantly give effect to customer purchase intention towards global brands. This study contributes to the literature by studying the Bumiputra consumers residing in Kedah specifically. Many researchers have identified the factors which predict the intention to purchase of global brand with reference to cultural differences. However, there is little evidence of investigation among specific segment like the Bumiputra. The Bumiputra market in Kedah is about 80 percent, indicating a significant segment to be investigated.

METHODOLOGY

The researchers collected data from 159 Bumiputra respondents belonging to diverse fields of life following convenience sampling technique. Pearson Correlation and multiple regression test was applied to predict the relative importance of various variables in determining the consumers' purchase intentions towards particular brand as well as to determine which factor gives the most impact to purchase intentions.

FINDINGS/RESULTS

The results of the study showed that perceived quality and sales promotion are the two significant factors behind a consumer's global brand choice. Result showed that perceived quality and purchase intention is positively correlated. As most global brands are always perceived as having more quality and better guarantees than other products, these results were expected. Result also showed that there is a positive correlation between sales promotion and purchase intention. This result intensify the fact that sales promotion is one key elements in marketing that gives positive impact on customer choice and behaviour, inducing their purchasing intention.

CONCLUSIONS/IMPLICATIONS

Based on the result, the researchers believe consumer purchase of global brand is mainly due to their judgment towards the brands value or attribute. Thus, sales promotion being persuasive and attractive by its own nature, does not fail to influence consumers of global brands. While this study suggested that consumers of developing market are incline towards global brands, little attention was focused on the antecedents for such preference, i.e. purchasing power of these consumers.

Keywords: Global Brand, Purchase Intention, Perceived Quality, Sales Promotion, Subjective Norms