



A STUDY ON RADIO ADS AND ITS RELATIONSHIP TO PURCHASE CAR AMONG URBAN COMMUTERS

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MKT669 - INDUSTRIAL TRAINING PROJECT PAPER

BACHELOR OF BUSINESS ADMINISTRATION WITH HONOURS (MARKETING)

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ABSTRACT

This study aims to analyze a study on radio ads and its relationship to purchase car among urban commuters. The impact of radio advertisement towards urban commuter's intention to purchase car are based on descriptive research. This research is basically extending Rajagopal's research paper "Impact of radio advertisements on buying behavior of urban commuters", since he only done on general but not on specific product. Therefore the researcher extending the research on intention to purchase car.

The study reveals that the intention to purchase car among urban commuters in response to radio advertisement is highly influenced by the information, economy, communication and cognitive variables. Radio advertisements have quick response on consumer intention to purchase car when they listen to the ads especially when the advertisement are more entertaining while disseminating the message.

This study on radio ads and its relationship to purchase car among urban commuters revealed that radio advertisement is highly influenced by the information, economy, communication and cognitive variables that makes the intention of commuters to listen and make a decision to purchase car.

A large number of people listen to radio while commuting in urban areas and respond to the broadcast of various commercial messages about cars. There are limited studies available on radio advertisements and the strategy to boost up the listeners to listen radio ads.

CHAPTER 1

INTRODUCTION

1.1 Introduction

Technology is emerging as a new phenomenon globally. Malaysia, like any developing country, has always been very responsive to the latest developments in the media industry. Agreed with Economic Transformation Programme (ETP), this can be seen when Malaysia government has implemented various development plans as well as promoting community development, especially in today's environment of social and economic change. Malaysia has also been particularly attentive to the rapidly changing world of information and communication technology. Instead of the implementation, there were gap between technologies savvy among the society of Malaysian nowadays.

Despite from the development of technology, the popularity of the digital media and the availability of a borderless world of communication networks have formed a new environment contrast with consumers nowadays. With this influx of information, Malaysia is moving to the new era of knowledge creation and fast-moving competitive edge especially in the media business sectors (Alsagoff S. A. and Hamzah A., 2007). Therefore, vast potential of information and communication innovations such as satellite and telecommunications systems such as radio is indeed a blessed.

According to Ng R (2011), from the view of growth in media industry it is proved that the usage of technology based on the Creative Industry record the published and printed media industries contributed up to US\$48 billion in 2008, increase up to 7.3% from US\$30 billion in 2002. This tough growth is the evidence of demand for goods and services through advertising. Hence, the industry seizes vast potential for developing countries that hunt for opportunities as a result to vary their economy such as Malaysia.

The demand of goods and services constantly reflect with the advertisement that ready for social events, culture, leisure and entertainment (Basheer A. and Malik N. I., 2009). Radio commercials play vital role to urban commuters in large cities in since it will influence people to buy such goods or services. It has been discovered by brand recall as well as the message that

1.2 Problem Statement

It is undeniable that advertising is one of the effective medium of communication in marketing industry. Last few years, the creative industry has achieved US\$592million (RM108 trillion). Such development has contributed significantly to the national economy. Malaysia is a developing country full with tonnes of opportunities and resources. With the enhancement of science and technology, advertising particularly has move a step forward in marketing product and services (Arens,1996).

Cited from Rajagopal (2011), radio advertising is considered as useful tool to push messages to customer, especially commuters in the busy area such as large cities. The previous studies had highlighted the buying behavior of urban commuters' and its relationship to radio advertisement. however, the concentration is very much defined in the general buying behavior among consumer. There is limited literature that concentrated on a particular product in regards to the effectiveness of a specific radio advertisement to consumer purchase decision. Since car has been a necessity for individual nowadays, the researcher is leveraging the concept of consumer behavior in purchasing cars among commuters in the Kota Kinabalu City and its relationship to radio advertisement.

By understanding the relationship, when it comes to car purchasing and urban commuter, both of those rely on each other with radio advertisement that can help deliver broad but specific messages, by doing so this can also influence purchasing behavior among the radio listeners. The messages delivered can be another way on expanding the strategies of pulling customer to buy goods such as car. The advertisement may include four variables which is information, communication, economic and cognitive.

1.3 Research Objectives

The aim of this study is to investigate the influence of radio commercial towards urban commuters intention to purchase car in Kota Kinabalu area. Urban commuters can be define as regular travel between one's place of residence and place of work. It sometimes refers to any regular or often repeated traveling between locations, even when not work-related. Moreover the commuters are more likely the person who walk, drives any vehicles and passenger inside the vehicle. Thus, the objectives of this study are: