



**THE FACTORS THAT INFLUENCE CONSUMERS
PREFERENCE FOR PURCHASING BETWEEN FOREIGN
CAR AND LOCAL CAR**

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ABSTRACT

The previous research stated the factors that influence the customers purchasing or buying decision. Over the past decade, the advent of increased global trade has brought along with it fierce competition to Automobile industry in Malaysia and has gone through many evolutions for these past decade and the purchasing decisions are basically influencing the customers' preferences in term of the factors given such as Quality, Design, Price and Brand. The constant changes in customer demands that was leading the manufactures to produce new and improved designs and specification of the car. A test was conducted to identify the factors that influence customers' preference on purchasing behavior between foreign car and local car, and the result form the test shows that Design was the highest rated factors that influence the customer's preference on purchasing behavior between foreign and local car. The most of the respondents satisfied with their car. The study should be conducted in a wider scope to not just in Kuching and Kota Samarahan to achieve better results. Focus more on compact cars, because now days people like compact cars because of the fuel economy regardless what brand or who manufactured the car.

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CHAPTER 1

INTRODUCTION

1.1 Introduction

Over the past decade, the advent of increased global trade has brought along with it fierce competition to Automobile industry in Malaysia and has gone through many evolutions for these past-decades. In the past, vehicle manufacturers offered the market unique models that had a small variety of attributes and a long life cycle. However, now a days an automotive companies have to provide a high product variety to remain competitive as they are facing increasing customer sophistication and fast- paced technological developments in the industry and throughout the year's automobile industry in Malaysia grows tremendously, and because of this there are many cars that had been produce by local automobile company such as PROTON (Perusahaan Otomobil Nasional Berhad) and PERODUA (Perusahaan Otomobil Kedua Sdn. Bhd) and also the entering of foreign cars in Malaysia market such as TOYOTA, MITSHUBISHI, BMW, HONDA, HYUNDAI, VOLKSWAGEN, MERCEDES, FORD, KIA, PEUGEOT and NAZA motors, this is because of globalization that play its roles.

1.2 Background Of Study

Over the past decade, the advent of increased global trade has brought along with it fierce competition to Automobile industry in Malaysia and has gone through many evolutions for these past decades. In the past, vehicle manufacturers offered the market unique models that had a small variety of attributes and a long life cycle. However, now a

CHAPTER 2

LITERATURE REVEVIEW

2.1 Introduction

This chapter covers all literature relevant on studying the influence on customers purchasing behavior towards foreign car and local car. Reviewing on all variables regarding the study was essential in order to address the problem comprehensively and to get the whole picture of relationship between those variable regarding factors that influences customers purchasing behavior.

2.2 Literature review

Consumer behavior are define as the behavior that display or project what costumers searching for, their purchasing for, what their using for, how they evaluate the product itself and how they disposing to some extend that they satisfied with the product that they purchase and that was according to the authors of the book Consumer Behavior (Schiffman, Kanuk & Wisenblit, 2010). Every single of consumers or customers are different in their own unique ways of their behavior of purchasing, this was influence by their attitudes, this was also influenced by the international-related branding, price consciousness, value consciousness and also brand name, but their needs are the same in every term of the basic of every single customers or person in this world, such as food, transportation, shelter, cloths, educations, equipment and many more (Schiffman, Kanuk & Wisenblit, 2010).

Consumers' behaviors divided into two (2) categories of consumers that are, Personal consumer and Organization consumers. Personal consumers are consumers that use or consume product to their own need and want but organization