



**FACTORS THAT CONTRIBUTING ON THE CONSUMER
PREFERENCE OF CHOOSING HYBRID CARS:
A CASE STUDY OF MBSA AUTOMOTIVE SDN BHD
(MERCEDES BENZ MALACCA)**

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ABSTRACT

The purpose of this study is to determine the factors that contribute to the consumers preferences in choosing hybrid cars from Mercedes Benz. The study will examine the direct relationship between five criteria which is brand, price, car size and body style, self-image and efficiency with consumers' preference to purchase a hybrid car from Mercedes Benz. A survey of 80 respondents will be conducted at MBSA Automotive (Mercedes Benz) Sdn Bhd show room that located at Lot 17, Jalan Bendahara, Bandaraya Melaka. Standard multiple regression and Pearson correlation were 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 Mercedes Benz Company can make better marketing strategies and allocation of budget to attract consumer to purchase a hybrid cars.

Keywords: consumer preference, hybrid car, Mercedes Benz.

CHAPTER 1: INTRODUCTION

1.1 BACKGROUND STUDY

Nowadays, much destruction happens to the environment due to the human activity such as from the industry, transportation, waste, and everyday living. People need to face the hurtful truth that every day, large amounts of water, sound, land and air pollution are released into the atmosphere leading to many problems such as the greenhouse effect that will eventually lead to global warming. This global warming can speed up the melting of ice in the north and south poles that cause rising of sea level, which later would lead to intense flooding, landslides and other disasters. In Malaysia, there are lots of flash flood happens especially in the high population area. According to New Straits Times newspaper (May 2016, October 2016, December 2016), flash flood frequently happens in high developed city which is Kuala Lumpur, Penang and Kuantan. It is true that some natural causes such as geothermal vents and volcanic hotspots are also a part of the global warming causes, but many of the issues stated before are still a result of the massive quantities of greenhouse gasses that the world's population has produced in the past few centuries.

On the other hand, transportation is one of the crucial element in nowadays living but the production and usage of transportation of every vehicle manufactured are producing emissions, both while being made and while driven on the road. There are large holes in the ozone layer of the earth's atmosphere because of the gases emits. Besides that, the smog levels are also increasing, leading to decreased air quality. Given enough time, a steady increase of these gasses would lead to many other horrendous effects to the earth. According to Shamsuddin AH (2012), Malaysian greenhouse gases is predicted to rise from 189 (Mtoe) in 2005 to 382 (Mtoe) in 2020.