

Factors Influencing the Purchase Decision of Non-National Cars in Malaysia: An Empirical Study

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Abstract

Purpose: This paper examines the influencing factors for the usage of non-national cars in Malaysia. Specifically, we focus on economic, behavioral and physical factors that drive purchase decision of Non-national cars in Malaysia.

Design/methodology/approach: Data were collected from 143 respondents who are Malaysian, aged 18 years and above and have a car driving license. The filtering questions used in this study identifies the target respondents who are current owners of non-national cars and who had used national cars before. These respondents were selected using a purposive sampling method to collect inputs.

Findings: Based on the significant findings and results, non-national cars were perceived as having certain salient features, superior fuel consumption, and commendable maintenance and repair after-sales services. The respondents opined that manufactures of non-national cars conduct regular R&D activity, and continuously respond to market tastes and preferences, thus enhancing customers' propensity to purchase non-national cars.

Research limitations/implications: This study fails to categorise non-national cars in terms of brands, to know whether brand design or type plays an important role in purchase plans of non-national cars.

Practical implications: The present study identifies key factors and marketing strategies to ensure an increase in market share and market growth rate of non-national cars in Malaysia. This can also serve as a message to non-national car manufacturers that marketing strategies are non-imitable to protect them from the threats of sales of national cars.

Originality/value: The novelty of this study centers on the relationship and potential influencing factors for the purchase of non-national cars. Similar marketing strategies and processes can be applied by manufactures of national cars to improve their stake in the market place. Further, the proposed research framework in the present study can be customized to determine the preference of customers to any branded or hybrid cars globally.

Keywords: Non-National Cars, Purchase Intention, Purchase Decision, Theory of Planned Behavior, Malaysia

Introduction

In Malaysia, the automotive industry is considered one of the most crucial industries in the manufacturing sector. The automobile sector has been used for the growth of the development process since it increases the industrialization process, which in turn makes Malaysia to achieve the year 2020 vision to be a developed country (Lee & Govindan, 2014). Furthermore, automobiles play a crucial role in everyone's life and makes them a topic of interest in various academic disciplines. The customers have created their individual choice and decisions based on their personal preferences and particular requirements and the question raised up by dealers and manufacturers is to discover the preference features for such selection models (Lee & Govindan, 2014). Malaysia is a developing country that has turned into one of the recognized hubs for international countries to develop their businesses (Farahah et al, 2014). Currently, it is significant for the non-national and national automobile producers to sustain their competitiveness so that they are able to draw customers to buy their goods in Malaysia. By improving the quality lifestyle and the endless demands for goods with unlimited technological growth, customers find for better automobiles that would be able to fulfil their desires. It has made a chance for international companies to enter in to Malaysian market with innovative and better-quality products making automobiles in Malaysia more reliable (Farahah et al., 2014). Furthermore, a handful of the manufacturers find it difficult as customers have extra demand in terms of assessing the quality standards of a particular product, which causes complications in identifying customer demands. Typically, the automotive industry is the most aggressively involved industry with several practices such as continuous improvement, low production cost, quality effort, activities, adaptability of advanced technology and supply chains development. Over the decades in Malaysia, non-national cars are more in demand due to its high technology, hybrid in mileage (both petrol and gas usage), convenience in driving and comforts.

The economic condition plays a significant role as a car purchase is an important image-function and brings car owners a positive social status. During the process of purchase decision, Mashahadi and Mohayidin (2015), explains, "A husband may purchase a car, known the reality of having to transport four children, even though his strong preference for a sport car," and father could decide to ask his son and daughter about color and style before purchase a car. According to Ahmad et al. (2014), the relation between car drivers and customers in car during long distance drive is that the system apparently must give the best satisfaction towards comfort, user-friendly, relaxing, simple, comfortable, and influence driver's physical and psychological well-being. Customers always prefer the best combination of features however some of them only willing to pay for the necessary. In a developing country, customers favor non-national car brands intended for their association with higher status. Non-National brands hold higher status in owing to the higher price and relative scarcity in comparison to national brands. Furthermore, purchasing non-national brands enriches customer's self-image, diverse in mobility, stylish

feelings, and living in modern society. Also, in the advanced countries, customers are driven to purchase their local manufactured products. However, in the developing countries and the less developed countries, customers are motivated to purchase imported products; it is because of customer's belief that most of the local manufactured products are not as good as the imported manufactured products. It is in this context; the present study is undertaken to determine the factors which are really influencing the purchase intention of non-national cars. Further, the study is conducted to know the reasons for switchover purchase intention from national manufactured cars to non-national cars.

Literature Review

The literature review starts with a general review of a relevant study on Purchase Intention of cars, followed by variables which are influencing customer' intention to purchase a car. From the extensive literature review, the present study identified customer's economic condition, subjective norms, travel distance, salient features, and after-sales service are the predictors toward the purchase intention of cars. The proposed conceptual framework in this study is supported by the Theory of reasoned action (TRA) and consequently the Theory of Planned Behavior (TPB) developed by Ajzen (1991). The theory of planned behavior includes three determining factors that influence Purchase Intention, namely, attitude, subjective norm and perceived behavioral control.

The Relationship between Economic Condition and Purchase Decision of Non-National Cars

Customer's economic condition influences on the buying behaviours of any products. Customers intend to purchase more expensive products if the income is high and have more savings as per Jisana (2014). The findings of Satish and Bharadhwaj (2010) show that objective customers, moderate customers, store intense customers, and personal advice seekers are the four major classifications and the economic conditions are behind these classifications. Hence, the study hypothesis that:

H1: Economic Conditions have positive influence on the Purchase Decision of Non-National cars

The Relationship between Social Norm and Purchase Decision of Non-National Cars

Subjective Norm is the factor that influences friends, neighbours and relatives to buy non-national cars (Mashahadi & Mohayidin, 2015). According to Lasuin and Ng (2014) opined that "social influence is a substitution of the subjective norm". Numerous studies have taken the vital connection between subjective norms and intention besides; it was noted by Jayaraman et al. (2015) that fundamentals of subjective norms have a greater influence on intention to purchase through the attitudes toward intention. Thus, the study hypothesis that:

H2: Subjective norms have positive influence on the Purchase Decision of Non-National cars

The Relationship between Travel Distance and Purchase Decision of Non-National Cars

Fuel economy is the main and significant factor in a customer's selection of vehicle apart from safety, quality, and reliability. In the last few years, two new technologies have developed the expansion and implementation of Hybrid Electric Vehicles (HEVs) and lately the Plug-in Hybrid Electric Vehicles (PHEVs) (Lee & Govindan, 2014). According to research conducted by Razak et al. (2014), the benefits gained by using the hybrid car is because of its smaller size engine.

Smaller size engine has a smaller amount of cylinder movement to help the vehicle work more efficiently and also able to prevent the vehicle to use more fuel during driving. When it comes to the fuel savings, a hybrid car needed less petrol rather than conventional car especially during long-distance travel because the hybrid car goes partially on electricity/gas and usage of less fuel. Further, this study is looking for Travel Distance dimension as one of the factors, the study hypothesizes that:

H3: Travel Distance has positive influence on the Purchase Decision of Non-National cars

The Relationship between Salient Features and Purchase Decision of Non-National Cars

Based on a study of Hanaysha et al. (2014), product improvement happens when a manufacturer makes something unique that creates competitors hard to duplicate such as technological features attached with a creation to enhance its value. According to Nikhashemi et al. (2013), the important fundamentals which cover product features include performance, safety, conformance, reliability, durability, and serviceability. Since the present study includes salient features as one of the constructs, the study hypothesizes that:

H4: Salient features have positive influence on the Purchase Decision of Non-National cars

The Relationship between After-sales Service and Purchase Decision of Non-National Cars

After-sales service warrants for the services that customers are provided after the product is sold and delivered to them. According to Saidin et al. (2015), in the automotive industry, after sales service is the greatest platform for structure the relationship as the free warranty service period agreed by the car manufacturers allow for continuous interpersonal dealings between customer and service provider. After sales services prove to be an important factor and therefore it a predictor for market share of non-national cars. Also, after sales service is considered as a tool for increasing a valuable advantage for the customer and creates the business opportunity for the company (Egonsson & Bayarsaikhan, 2013). Hence, the study hypothesizes that:

H5: After sales service has positive influence on the Purchase Decision of Non-National cars

The Relationship between the Purchase Intention of non-national cars and Purchase Decision of Non-National Cars

Rapid entry of non-national or imported cars in the Malaysian market leaves national car manufacturers to struggle to compete with the foreign counterparts. Based on the research done by Zolkifly (2013), the satisfaction level of national cars like Proton and Perodua are below the industry average as compared to non-national cars like Toyota and Nissan. Furthermore, Customer behavior includes the process of individuals or groups selection, purchasing, services, ideas or experiences to fulfil their needs of buying imported cars, local cars suffered from its reputation (Gyulbudagyan et al., 2014). Hence, the study hypothesizes that:

H6: Purchase Intention of Non-National cars has positive influence on the Purchase Decision of Non-National cars

H7a-e: Purchase Intention of Non-National cars mediates the relationship between the predictors (customer's economic condition, subjective norms, travel distance, salient features, and after-sales service) and the Purchase Decision of Non-National cars

Conceptual Research Framework

Thus, the following model as shown in Figure 1 is developed to study the variables that influence the Purchase Decision of Non-National car in Malaysia.

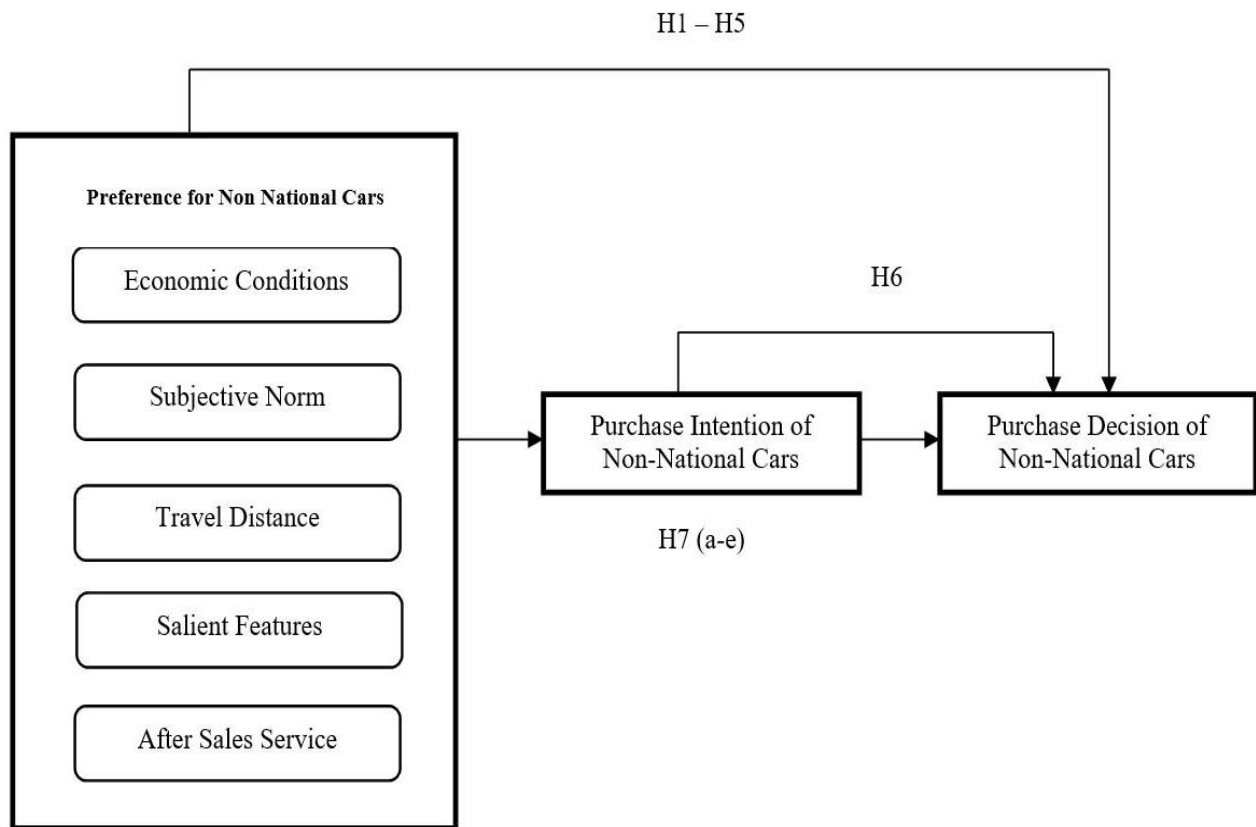


Figure 1: Conceptual Framework for the Purchase Decision of Non-National cars

Research Design and Procedure

Since this research’s objective is to test the five independent variables and a mediating variable identified in the earlier literature towards the purchase decision of the non-national cars (dependent variable), hypothesis testing method has been used. The quantitative method is undertaken to assist in explaining the variance in the dependent variable to predict the outcome of the research. The research question identifies which independent and mediating variable significantly influence the purchase decision of non-national cars in Malaysia. Type of investigations carried out are correlation studies as it intended to test the relationships among independent, mediating and dependent variables. There are four main sections used in the questionnaire in the present study. Section A is on the respondents’ demographic data which contain ethnicity, gender age, and marital status, level of academic, employment level and personal income. Section B is related to the data on independent variable, Economic condition, Subjective norms, Travel distance, Salient features, and After-Sales service toward Purchase Decision of Non-National cars. Section C is about the mediating variable, Purchase Intention of non-national cars, and lastly, section D is about the dependent variable, the Purchase Decision of non-national cars. Most of the question items are adopted from the literature review. The question items for all variables are measured on a 5-point Likert scale. The survey was

conducted from December 2016 to January 2017. Users of non-national cars were identified using purposive sampling technique.

Significant Findings and Results

About 450 questionnaires were distributed to identify users of the non-national cars around Penang and Kedah through email and distributed survey questionnaire to the respondents. Furthermore, due to the ease of internet services and as part of an effort to reduce wastage of papers, some questionnaire is disseminated through email. Therefore, this study is gathered via self-administered and e-survey structured. The total number of questionnaires completed by the respondents and returned was about 195, which is about 43.33% of response rate. From the completed questionnaires collected, there are 52 sets of respondent's questionnaires which were unable to use due to missing information. Therefore, the total number of questionnaires that could be used in this study is 143 which accounts for 31.8% of response rate (Table 1).

Table 1: Respondents rate

Description	Online	%	Offline	%
Total questionnaires distributed	350	100%	100	100%
Received questionnaires	125	36%	70	70%
Non-usable questionnaire	24	19%	28	40%
Usable questionnaires	101	29%	42	42%

Profile of the Respondents

The demographics of the respondent for previously used national cars and currently using non-national car are summarized in Table 2. The study sample of gender has 54.5% of males and 45.5% of females. Most of the respondents are Indians (49.7%), followed by Chinese (32.9%), Malay (16.1%) and the others form 1.3%. The age distribution of the respondents in the range of 19-24 years is about 4.2%, followed by 25-30 years old (46.9%), 31-36 years (38.5%) and 37 and above is 10.4%. The average monthly income is divided into four categories, less than RM2000 is about 8.0%, RM2001-RM3000 is about 20.6%, followed by RM3001-RM4000 (29.4%) and more than RM4001 is about 42.0%. Moreover, the respondents of this study were relatively highly educated with 76.2% of the respondents were with a Diploma or Bachelor Degree Qualification. These results are summarized in Table 2.

Table 2: Demographic profile of the respondents

Demographic Variable	Particulars	Number of Respondents	Percentage (%)
Gender	Male	78	54.5
	Female	65	45.5
Ethnicity	Malay	23	16.1
	Chinese	47	32.9
	Indian	71	49.7
	Others	2	1.3
Age (in years)	19-24	6	4.2
	25-30	67	46.9
	31-36	55	38.5
	37-41 and above	15	10.4
Average monthly income (in RM)	Less than RM2000	12	8.0
	RM2001-RM3000	29	20.6
	RM3001-RM4000	42	29.4
	4001 and above	60	42.0
Academic Qualification	Primary	3	2.1
	Secondary	20	14.0
	Diploma	72	50.3
	Bachelor Degree	37	25.9
	Master Degree	7	4.9
	Others	4	2.8

Factor Analysis for Independent Variables

There are five independent variables (IV) in this study, Economic Conditions (EC), Subjective Norms (SN) and Travel Distances (TD), Salient Features (SF), and after-sales service (AS). There are four question items for EC which are named as EC1, EC2, EC3, and EC4. SN has five items, namely SN1, SN2, SN3, SN4 and SN5, TD has five items TD1, TD2, TD3, TD4 and TD5 and SF has five question items SF1, SF2, SF3, SF4 and SF5, and AS has five items namely AS1, AS2, AS3, AS4, AS5 and AS6. During factor analysis run two variables are grouped into one variable which is Salient features and Travel distance (SFTD). Further, during the factor run economic conditions (EC) split into two variables EC-I and EC-II.

The results of the factor analysis shown in Table 3 consist of 5 variables which influence the purchase decision of non-national cars. KMO of 0.887 indicates that sample size for the study is sufficient to carry out factor analysis. The significant of Bartlett's Test ($p < 0.05$) indicates that the factor analysis model fits well to the data. The main loading must be above 0.5 for each question item. In the present study, the main loading lies between 0.638 and 0.946. The total variance explained by the independent variable is 74.02, and it exceeds the minimum recommended value of 60% (Hair et al, 2009; 2014), of which first factor (SFTD) explains 22.59%, second factors (AS) explains 18.8%, third factor (SN) explains 16.30%, the fourth factor (EC-1) explains 8.74% and the fifth factor (EC-2) explains 7.6%. Table 3 displayed the main factor loadings of variables.

Table 3: Main Factor loadings of Latent variables

Latent Variable	Question items	Main Loadings				
		1	2	3	4	5
Salient Features and Travel Distance (SFTD)	SF4	0.781				
	SF3	0.744				
	SF5	0.743				
	SF1	0.735				
	TD5	0.73				
	TD1	0.699				
	SF2	0.683				
	TD2	0.668				
	TD4	0.638				
After sales service (AS)	AS5		0.855			
	AS2		0.800			
	AS4		0.796			
	AS1		0.776			
	AS3		0.718			
	AS6		0.685			
Subjective Norm (SN)	SN1			0.838		
	SN3			0.824		
	SN2			0.807		
	SN4			0.787		
	SN5			0.753		
Economic Condition (EC-1)	EC1				0.946	
	EC2				0.944	
Economic Condition (EC-2)	EC3					0.916
	EC4					0.885
Variance Explained (%)		22.59	18.8	16.3	8.74	7.6
Kaiser-Meyer-Olkin (KMO)	0.887					
Bartlett's Test of Sphericity	60.017; p=0.000					

* Dropped item: TD3

Factor Analysis for Mediating Variable and Dependent Variable

KMO for the five question items of the mediating variable is 0.840 which indicates the adequacy of the sample size. All the question items of the mediating variable converge as a single factor. The main loadings lie between 0.634 and 0.876. The total variance explained is 64.90 which is well above the thumb rule (Hair et al, 2009; 2014). Similarly, the KMO for the five question items of the dependent variable is 0.860 and the main loading lies between 0.752 and 0.868. The total variance explained is 67.40%. All the question items of the dependent variable converge as a single factor. Hence, factor analysis model fits well for the scale measurements of both mediating and dependent variables.

Reliability Analysis

In order to study the consistency of the responses, the reliability analysis has been applied. In the present study, the Cronbach alpha (lying between 0 and 1) was computed using the split-half method. If the Cronbach alpha is about 0.5, then there is moderate consistency in terms of responses provided by the study sample. On the other hand, if the Cronbach alpha is more than 0.7 the reliability is very high, and the data is highly consistent. In the present study, the minimum Cronbach alpha is 0.844, and the maximum was 0.970 and is very much fulfilling the thumb rule (Hair et al, 2009; 2014).

Table 4: Results of Reliability Analysis

Latent Variable	Cronbach's Alpha	No of Items
Salient Features and Travel Distance (SFTD)	0.928	9
After sales service (AS)	0.931	6
Subjective Norm (SN)	0.905	5
Economic Condition (EC-I)	0.970	2
Economic Condition (EC-II)	0.844	2
Purchase Intention of Non-National cars (PI)	0.851	5
Purchase Decision of Non-National cars (PD)	0.879	5

Descriptive Statistics

Table 5 shows the descriptive statistics for the independent variables (EC-I, EC-II, AS, SFTD and SN), mediating variable (PI) and the dependent variable (PD). All variables were measured with five-point Likert scale, ranged from 1 being strongly disagree to 5 being strongly agree. Table 5 reveals that the mean value for all variables is above 3 except for subjective norm. Moreover, the standard deviation was uniform without extreme value supporting the validity for further analysis. From the descriptive statistical analysis results, the highest mean for variables are an Economic condition (EC-II) 4.48, followed by the Salient Features and Travel distance (SFTD) 4.34.

Table 5: Descriptive Statistics (n=143)

Latent Variable	Mean	Std. Deviation	Likert scale
Purchase Decision of Non-National cars (PD)	4.23	0.58	1-5
Economic Condition (EC-I)	3.34	1.23	1-5
Economic Condition (EC-II)	4.48	0.56	1-5
After Sales Service (AS)	4.14	0.63	1-5
Salient Features and Travel distance (SFTD)	4.34	0.55	1-5
Subjective Norms (SN)	2.17	0.90	1-5
Purchase Intention on Non-National cars (PI)	4.12	0.74	1-5

Correlation Analysis

Correlation analysis indicates the Pearson’s correlating coefficient among the study variables with their level of significance and it was summarised in Table 6. Multicollinearity occurred when the two or more predictor variables are highly correlated with each other and gave rise to unstable coefficients. For this study, there is no multicollinearity present as VIF Is less than 5. The VIF value for all the variables is less than five which ensure there is no multicollinearity problem in this model. Besides that, all the independent variables such as Economic Condition (EC-I and EC-II,) After sales service (AS), Salient features and Travel Distance (SFTD) and Subjective Norms (SN) and mediating variable namely Purchase Intention for non-national cars (PI) are positively correlated with the dependent variable purchase decision of non-national cars (PD).

Table 6: Correlation coefficients for the latent variables

Latent Variable	AvePD	AveEC1	AveEC2	AveAS	AveSFTD	AveSN	AvePI	VIF
AvePD	1	0.244	0.189	0.775	0.747	0.378	0.779	-
AveECI	0.244	1	0.213	0.247	0.172	-0.268	0.255	1.139
AveECII	0.189	0.213	1	0.216	0.19	-0.157	0.163	1.086
Pearson Correlation AveAS	0.775	0.247	0.216	1	0.676	-0.432	0.673	2.283
AveSFTD	0.747	0.172	0.19	0.676	1	-0.438	0.647	2.133
AveSN	0.378	-0.268	-0.157	-0.432	-0.438	1	-0.561	1.521
AvePI	0.779	0.255	0.163	0.673	0.647	-0.561	1	2.409

Note: No multicollinearity is present as VIF is less than 5

Multiple Regressions Model

In the multiple regressions analysis, the coefficient of determination, R square is used to show the data points for a line on the curve. In this study, the number of sample is 141 about 30 and therefore, it is enough to refer R-square. The first model is tested for the direct effect between independent variables on the dependent variable. Based on Table 7, the R square value for model-1 is 0.696 which is highly statistically significant. The second model is tested for the indirect (mediating) effects on the relationship between the independent variables and the dependent variable. Based on Table 7, the R square value for model-2 is 0.774, an increase of 0.079 (incremental validity) from the model-1 which is highly statistically significant. The Durbin Watson value is 1.922 which is within the range of 1.5 to 2.5 indicates that the error term is independent (Hair et al, 2009; 2014).

Table 7: Multiple correlation analysis results

Model	R	R Square	Adjusted R Square	Std. error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1 IVs on DV	0.834	0.696	0.684	0.3277	0.696	61.738	5	135	0	1.922
2 IVs +MV on DV	0.880	0.774	0.764	0.28332	0.079	46.603	1	134	0	

From the multiple regression model analysis, the results indicated that there were two direct effects which were positively and significantly influencing on the purchase decision of non-national cars and they were After Sales Service ($\beta=0.493$, $t=7.386$, $p<0.001$), Salient Features and Travel distance ($\beta=0.419$, $t= 6.327$, $p<0.001$). Whereas, the other direct effects Economic Condition (EC-I), Economic Condition (EC-II) and Subjective Norms (SN) on Purchase Decision of Non-National cars were not significant (Table 8). As such, H3, H4 and H5 were supported, whereas H1a, H1b, and H2 were not supported. It is worthwhile to observe in model-2 of Table 8 that the mediating variable Purchase Intention on Non-national cars (PI) fully mediates the relationship of Subjective Norms on Purchase Decision of Non-National cars ($\beta= 0.152$, $t=3.012$, $p<0.01$), indicating that the hypothesis H7e was supported. In addition, PI partially mediates the relationship between After Sales Service and Purchase Decision of Non-National cars ($\beta= 0.337$, $t=5.441$, $p<0.001$), supporting H7c. Finally, PI partially mediates the relationship of Salient Features and Travel distance on Purchase Decision of Non-National cars ($\beta= 0.297$, $t=4.948$, $p<0.001$), supporting H7d.

Table 8: Results of multiple regression analysis

Hypothesis	Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Decision	
		B	Std. Error	Beta				
Model 1	1	(Constant)	0.278	0.356	-	0.782	0.436	-
H1 a		Ave EC1	0.028	0.024	0.060	1.186	0.238	NS
H1b		Ave EC2	-0.005	0.051	-0.005	-0.093	0.926	NS
H5		Ave AS	0.458	0.062	0.493	7.386	0.000	S
H3 and H4		Ave SFTD	0.446	0.070	0.419	6.327	0.000	S
H2		Ave SN	0.022	0.036	0.033	0.608	0.544	NS
Model 2	2	(Constant)	-0.145	0.314	-	-0.461	0.645	-
H7 a		AveEC1	0.018	0.021	0.038	0.875	0.383	NS
H7b		AveEC2	0.005	0.044	0.005	0.111	0.912	NS
H7c		Ave AS	0.313	0.058	0.337	5.441	0.000	S
H7d		Ave SFTD	0.316	0.064	0.297	4.948	0.000	S
H7e		Ave SN	0.099	0.033	0.152	3.012	0.003	S
H6		Ave PI	0.342	0.050	0.435	6.827	0.000	S

Note: S-Supported; NS-Not Supported

Discussions

From the multivariate data analysis, it is interesting to observe that the study respondents favor non-national cars mainly because of excellent after sales service, better mileage and value add in the form of salient features to switch-over from national cars to non-national cars. Although, non-national cars are costlier than the national cars, Malaysians favor more for non-national cars because of the above said emerging predictors. The economic condition of the respondents did

not influence the purchase decision of non-national cars since Malaysians have better standard of living similar to developed countries and also, they have good purchasing power. Surprisingly, subjective norms did not find to be statistically significant on the purchase decision of non-national car. It means that Malaysians prefer to make individual decision on car purchase and they seldom consult with their family friends, neighbors and relatives before they make purchase decision of non-national cars. However, when the Purchase Intention on non-national cars is inserted as a mediating variable in the multiple regression model, subjective norm matters a lot. It means that once Malaysians have intention to purchase non-national car then before making purchase decision, they preferred to consult neighbors, relatives and friends to make a final decision. Ultimately, the buyer of the non-national car wants to know from those who are using the non-national cars, particularly their experience on brand, pricing, color, horse power and worthiness. In fact, the mediating variable namely Purchase Intention on non-national cars is highly and positively mediates on the Purchase Decision of Non-National cars. Further, the mediating variable partially mediates the relationship between After Sales Service, Salient Features and Travel distance on the Purchase Decision of Non-National cars.

Conclusions

The results here indicate that Malaysian customers have a higher preference for non-national manufactured cars. Malaysians have the habit of frequently changing cars are proud to be car owners. Under these circumstances, Malaysians make impulsive purchase of cars if the vehicle has properties like ease of use, better mileage, high technology, warranty and additional value add features. In Malaysia, car loans are available at very cheap interest rates ranging from 3.5 to 5 percent from various financial institutions, it is easy for them to seek higher loan amounts to purchase non-national cars. Furthermore, the findings here indicate that consumers might rather purchase a non-national automobile instead of a national car due to some advantages like excellent after sales service, better mileage and value added salient features. Further, non-national car manufacturers conduct regular consultation of R&D activities, continuous response to market tastes and preferences, which are other features that enhance Malaysian customers' propensity to purchase non-national cars. Thus, manufacturers of non-national cars, in conjunction with relevant authorities in Malaysia, have to continue enhancing their image.

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