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價格、廣告和社會影響對購買意願的影響
The Effects of Price, Advertisement and Social Influence on Purchase Intention--Case Study Laptops

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# 南 華 大 學 企業管理學系管理科學碩士班 碩士學位論文

價格、廣告和社會影響對購買意願的影響
The Effects of Price, Advertisement and Social Influence on Purchase
Intention--Case Study Laptops

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#### **Letter of Recommendation for ABT Masters**

#### Letter of Recommendation for ABT Masters

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- 1. In terms of studies, 36 has acquired 39 credits, passed all of the obligatory subjects such as Strategic management, Business Research Method, Operational Management, Science Management..., etc. (Please refer to transcript.)
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  - ii. Journal : Marketing

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Date: 2019. 5.31

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Rajan Chaudhary 23<sup>rd</sup> April 2019

# 南華大學管理學院企業管理學系管理科學碩士班 107 學年度第 2 學期碩士論文摘要

論文題目:價格、廣告和社會影響對購買意願的影響

研究生: 詹哈立 指導教師: 郭東昇 博士

### 論文摘要內容:

普通公眾就像工業主義的一般公眾一樣受到譴責。說實話,個人受到 日常生活中陳列的影響。廣告技術會影響買家的行為,從而促進穩固的購買 目標。由於促銷是個人日常生活的一部分,我們提出的建議的原因是展示展 示如何影響客戶的行為和購買意向。

本文的原因是研究客戶購買筆記本電腦的期望以及這些目標如何受到客戶價值觀察的影響。另一點是要了解價值辨別力的安排,以及作為購買意願和價格觀察與廣告和社會影響之間的對比的客戶素質。

為了了解廣告程序的運作方式,我們會遇到與眾不同的假想。我們通過他/她的需求,要求和影響因素詳細說明客戶。在那之後,我們試圖證明各種因素之間的關係的一部分如何彼此識別。

由於該提議的目的是理解當代社會過程,因此選擇與上下文分析配置相結合的定量研究策略作為系統。

在這方面,選擇回答我們目的的產品是電腦筆記本,一個互聯網平板電腦,關於理論概念突出了差異和相似之處。

我們的研究為研究領域的理論貢獻提供了有關用於提高購買意願的營銷策略。該研究還提供了有關公司如何增強其消費者購買意願的管理含義。

關鍵詞:價格、廣告、社會影響、品牌形象和購買意願

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Name of Student: Rajan Chaudhary Advisor: Tung-Sheng Kuo Ph.D.

# **ABSTRACT**

The general public is censured just like a general public of industrialism. Truth be told, individuals are affected by showcasing in regular day to day existence. Advertising techniques impact the buyer conduct which prompts solid buy aims. Since promoting is a piece of individuals everyday life, the reason for our proposition is to show how showcasing is affecting on client's conduct and buying Intention.

The reason for this paper is to research clients expectations to buy laptops and how these goals are influenced by the clients value observations. A further point was to pick up understanding into the arrangement of value discernments, and client qualities that underlie the contrasts between purchase intention and price observations with the effect of advertisement and social influence.

To see how advertising procedures functions, we experience distinctive hypothetical ideas. we detail the client through his/her needs, requests, and impact factors. After that, we have attempted to demonstrate a portion of the relations between various factors how they are identified with one another. As the point of this proposal is to comprehend a contemporary social process, a quantitative research strategy joined with a contextual analysis configuration is picked as the system.

IV

In that regards, the products chosen to answer our purpose is the computer notebook, an internet tablet. The differences and similarities are highlighted regarding the theoretical concepts.

Our study makes a theoretical contribution to the research field about marketing strategies used to enhance purchase intentions. The study also provides managerial implications concerning how companies can enhance the purchase intentions among their consumers.

**Keywords**: Price, Advertisement, Social Influence, Brand Image and Purchase intention



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# **CHAPTER ONE**

# INTRODUCTION

# 1.1 Research Background and Research Motivation

In this chapter we will discuss about how different marketing tools help us to unify the consumer behavior towards the product and leads to the purchase intension. We have used past theories to support our research and studied the ongoing market skills to create the research more advanced in every pursuit.

In order to evaluate the research, clear we choose the most advanced and technical product (laptops and notebook) as our case study. For instance, advertisers are worried about inquiries, for example, these: Purchasers utilize physical item properties as the essential marker of item quality. Purchasers utilize cost as a quality pointer? Does this fluctuate contingent upon the conditions. Relative assurance factors of the estimation of an item to a purchaser. Roles of clients' assessments in the assessment of procurement expectations (Purchase Intensions).

As an outline, consider the managerial head of another PC organization who is choosing what data to incorporate into a correspondence bundle to incite shopper support. Numerous item highlights can be incorporated into the correspondence message. A specialist proposes a procedure of building a solid esteem discernment utilizing a similar showcasing effort underscoring a solid favorable position while contending that the observational element is essentially comparable to the market pioneer.

In light of a past purchaser examine, proposes a progression of TV ads underscoring item quality and a cost reliable with the quality perception. The organization keeps up that this will enhance item quality recognitions. howsoever, the managerial head isn't so certain about the technique. Prior to settling on the

decision, the managerial head needs to know how prior factors join to impact purchaser observations and how this converts into buy goals.

# 1.2 Research Objective

This chapter provides an overview study to examine different marketing factors influencing consumers purchase intention.

We have chosen the most used variables by the consumers to have the purchase intention. In this section we used the marketing variables such as: Price, Advertisement and Social influence.

Item highlights and cost are real choice factors utilized by advertisers to impact the item assessments and buy practices of potential clients. To successfully settle on choices with respect to these factors, advertisers look for learning about how purchasers utilize item trait and value data in the assessments of items.

In any case, the thesis proposes that the connection between item properties and showcasing and the expectation to buy is impacted by various interceding develops (Olson & Jacoby, 1972; Zeitham1,1988), including price, social influence, and advertisement. A comprehension of these factors and their interrelationships can give valuable management techniques.

Brand Image is also used in the thesis since previous studies found it to be of highly relevant when individuals are processing their decisions (Arndt, 1967; Richins, 1983).

# 1.3 Subject and Research Scope

The theme focuses to assess and analyze the affecting of different marketing tools help us to unify the consumer behavior towards the product and leads to the purchase intension. We have used past theories to support our research and studied the ongoing market skills to make the research more advanced in every pursuit.

The research methodology will use some of these techniques:

- Quantitative Survey
- Data Analysis SPSS 20
- Factor Loading & Reliability Test
- ANOVA and Independent T-test
- Confirmatory Factor Analysis
- Regression

The content of this study separated into five chapters, which are describing as the following below:

Chapter one stated the research background, research objective, procedure and construct.

Chapter two stated the theoretical background, term and definition of each construct and component that will use in the study, and research hypothesis.

Chapter three showed the research framework, instrument, questionnaire item of each construct, translation procedure, and methodology that will apply to analyze the data.

Chapter four showed the result of data that found out after running the data and it also using table of the result with the explanation of each finding. Those tables were related to the table of Factor loading, reliability test, ANOVA and T-test and Regression. Moreover, it showed each the interrelationship of each hypothesis.

Chapter five would summary all the result into the context that we want to find out. After that, it also did the discussion and implication for the future research.

# 1.4 The Procedure and Research Structure

The study examines the role of price, advertisement and social influence on purchase intention. First, the framework offers theoretical backgrounds of the customers, the theory of all dependent and independent as mentioned above. Then point out the research model, using quantitative research method to conduct surveys, collect1 data to draw final conclusions.



# **CHAPTER TWO**

#### LITRATURE REVIEW

# 2.1 Concept of Price in Marketing

As shown by Kotler (2003), paying little mind to how a thing is, a couple of individuals will be unfit to pay more than a particular expense. Others may in all probability bear its expense yet believe that another strategy for that spending the total of money would give them progressively conspicuous satisfaction.

Then again, direct being terrible is not adequate; the thing should come up to some element of foreseen execution. In specific conditions, (Indulgence Stock), a mind-boggling expense may even make the thing more appealing than a lower cost. Cost is only a solitary of the few expenses looked by purchasers.

As shown by Zeithanel (1985) certain measurement social occasions, for instance, women, married couple, more seasoned people, and home masters are progressively committed to checking for, and use, cost information deliberately. Dickson & Sawyer (1990) saw that client giving worth check submitted mistake of such size that the refinement appeared differently in relation to the veritable expense was more conspicuous in a large portion of the cases than the esteem spread of things inside a comparable class. That is, the buyer did not indicate poor esteem audit, the esteem they gave was lower (or higher) than the expense of anything in the grouping.

Despite when a thing was being progressed, only few of the clients remembered adequately and could audit whether they had purchased an excellent evaluated thing. This leads one to investigate the reasonability of headways. One consequence is that it may be in the regular energy of the two retailers and makers to spend more on the in-store than on the (esteem) progression.

# 2.1.1 Consumer Perception of Price

Cost is one of the promoting mix segments. The segments of promoting mix fuse esteem, headway, thing, and spot. The cost can change all around successfully when appeared differently in relation to the next three parts. The promoter can lower or raise esteem, even more, a significant part of the time.

As demonstrated by Taylor and Wills (2000), cerebrum science puts a strong and far-reaching part in esteeming a thing. Customers going up against any risk in their procuring decision have a sense of safety with an expense. How a mind-boggling expense is a pointer of the idea of a thing is the customers perception. Kotler (2009), explain that various customers use cost as a marker for quality. Picture esteeming is especially feasible with the internal (Self) unstable thing, for instance, fragrances and exorbitant vehicles. An examination of the association among expense and nature of vehicle found that, the relationship to the working in an integral manner.

Thought in regards to cost is most likely going to be increasingly conspicuous at more noteworthy costs packaged product, strong items, and organization than lower esteem thing. The money related cost is not simply relinquished see by the buyers. Scitoasky (1995), who suggested that clients or people may condemn quality by cost furthermore pointed out that such direct isn't commonly the circumstance.

#### 2.2 Advertisement

Publicizing advances are a bit of an innovative system of advancing and they could be used as a reason of a particular pitched message in order to attract thought of potential customers, to capably affect their care, feelings and mien towards the advanced thing, and critically, the purchase point. Sharma and Singh (2006) stress

that the choice of an adequate interest is a champion among the most basic decisions for a creative arrangement of publicizing.

While portraying cases, Belch and Belch (2004) keep up that interests in publicizing imply the philosophy used to draw the customers thought or/and to affect the feelings they have for the thing. Moriarty (1991) states that interests in publicizing are used to draw thought, push and make an excitement with the recipient of the advancing message and about the broadcasted thing. The choice and the usage of the displaying offer depend upon the advancing association, the sort of the thing, the set publicizing goals, target social events and besides of the technique for publicizing of the contenders and media which will do the advancing Leonidou and Leonidou, (2009).

Additionally, it is critical to ask about whether the potential recipients of the message, which means the purchasers, have specific needs and needs that can be enacted by the advancing message or solicitation Arens (2004), similarly as to view to an increasingly broad arrangement of the route toward settling on a purchasing decision. In any case, in the available composition, there is no understanding among scientists or appropriate research that choose the viability of explicit sorts of cases for specific sorts of things or target get-togethers, which may be of exceptional noteworthiness for displaying specialists.

# 2.2.1 Rational Appeals in Advertising

Same interests in publicizing are also called edifying or genuine interests since backers use them in order to address wise purposes behind getting an advanced thing Sharma and Singh (2006). While portraying observing, for instance, helpful interests in publicizing, Belch and Belch (2004) keep up that they base on the buyers authentic, valuable or necessities to use a particular thing by underscoring the properties of the

thing just as focal points and reasons of owning or using a particular thing. Publicizing messages with a sound interest weight reality, thing properties, similarly as strong points of interest that customers would have if they used the advanced thing; perceiving interests underline the quality, the regard, the efficiency or the execution of the advanced thing Kotler and Armstrong (2012).

Due to their enlightening character, advertisers use sound interests when they wish to impact potential purchasers that the promoted thing is superior to anything the one made by their opponents in light of explicit characteristics or inclinations it gives Kazmi and Batra (2009).

# 2.2.2 Emotional appeals in advertising

The usage of reasonable interests in publicizing isn't legitimate for explicit things, especially for those that are not too much extraordinary in connection to the aftereffects of their opponents in helpfulness, or particular properties Kazmi and Batra (2009). By using energetic interests, everything considered, marketing specialists wish to make a specific eager relationship in the buyer's cerebrum towards the exposed thing, i.e., an uncommon selling proposal is superseded by a unique enthusiastic recommendation.

Enthusiastic interests target mental or social needs of the buyer, suggesting that they are endeavoring to cause positive or negative emotions that could provoke purchasing Kotler and Armstrong (2012). An examination formed by the maker Bruno et al. (2016) prescribes that an eager interest, paying little mind to whether cold or warm can be fruitful. As demonstrated by these makers, a warm interest quickens the purchasing objective, and the crisp one insistently impacts the alteration in the aura, impact and noteworthy direct in purchasing.

#### 2.3 Social Influence

The social effect is a basic subject in test social mind science Kelman (1961). Turner (1991) described social effect as the strategies whereby people director in an indirect manner sway the thoughts, feelings and exercises of other. The social effect is related to the information about different people, and it may not by any stretch of the imagination occur by methods for eye to eye correspondences Robins et al., (2001); Trusov et al., (2010). Strikingly with the past (when peoples effect was compelled to their slight gathering of companions), the social effect has extended on account of the usage of the Internet and web-based systems administration Kwahk and Ge (2012).

As shown by McKenna and Bargh (2000), from the social cerebrum science perspective, social association on the Internet has four differences from the real world: (a) Users can interface with others anonymously, (b) Physical partition isn't fundamental, (c) Physical appearance is not basic, (d) Interaction shouldn't be synchronous.

The social effect can be designated illuminating and managing Bearden et al., (1986); Burnkrant and Cousineau, (1975); Chung et al., (2013); Deutsch and Gerard, (1955); Lee et al., (2006).

The illuminating social effect happens when purchasers recognize the information got from others as confirmation of this present reality Burnkrant and Cousineau, (1975); Chung et al., (2013).

As demonstrated by Kwahk and Ge (2012), web-based systems administration affiliation ties and web-based life duty impact social impact on online business. In the present examination, we portrayed the social effect source and social stage practices as the components that impact social impact on online casual network goals.

#### 2.3.1 Social Influence Source

Social effect sources can be overseen two estimations: social ties, which can be assigned strong or fragile, and media. The social effect between the people from a get-together can trigger individuals to reevaluate their estimations and impact the sagacity of the gathering Lorenz et al., (2011). People change in accordance with the social effect that starts from a couple of sources including peers they do not see or even subtle reference get-togethers Sridhar and Srinivasan, (2012). As shown by Song and Kim (2006), the social effect from inward referents is related to family, mates, and partners. Tune and Kim (2006) moreover worried outside referents and saw that under explicit conditions using external referents to explain particular practices is even more prevailing. Postmes et al. (1998) fought that in PC intervened correspondences when a commonplace social character is shared by the communicators, they become progressively vulnerable to store up effect.

New media, which gives a couple of options in contrast to social event information, has definitely changed the way where that customers accumulate and exchange information about things and how they give and consume things Hennig-Thurau et al., (2010). Mangold and Faulds (2009) communicated that customers look to online life goals even more often to check for information and settle on acquiring decisions; the immense proportion of information passed on by customers about things by methods for electronic life stages impacts various customers at each period of purchaser lead.

#### 2.3.2 Social Platform Activities

The social effect is made by different activities through electronic systems administration media stages. For example, long-extend relational correspondence goals are one of the essential stages for customers of the Internet to participate. Despite making profiles, customers on the individual to individual correspondence

regions can share information, like posts, make comments, and send private messages.

The effect in online casual networks can happen either as a quick welcome from another center point (e.g., a partner) or simply roaming impression of the activities of another center point related to the get-together (e.g., a picture post of a friend to a party) Hui and Buchegger, (2009). According to Yadav et al. (2013), purchasers are taught about a thing likes and purchases made by their buddies in their online casual association. Chu and Kim (2011) raised that customers of the individual to individual correspondence regions help their social affiliations purchasing decisions by sharing critical thing information and experience. McKinsey and Company (2012) communicated in a report about the social economy that social development has made a strong relationship with essential sociological models and practices by bestowing information to people from the framework, differentiating experiences and societal position and others, etc.

#### 2.4 Price and Social Influence

We can see how unmistakable individual fiscal activities become made in light of the fact that out of monetary joint efforts. The money related theory says rather little in regards to this. The basic perspective of the financial speculation is the supposition which bears witness to that each individual takes decisions in separation, and uses only the information traversed some wide market signals, for instance, costs. The standard model does not deny that administrators interface yet rather that they team up right through the esteemed structure. Be that as it may, experts do, really, trade with each other, talk with each other and increase from each other.

One sort of cooperation is an exchange of information between budgetary administrators. Routinely one administrator gets this information by the impression of the leaders of various experts. There are various social and fiscal conditions in which the fundamental initiative of individuals is influenced by the exercises of various individuals around him. In fundamental administration individuals sometimes use their own special mix information and information on the direction of various individuals; from time to time they use only information on the lead of various individuals. We can see various occasions of this wonder in fiscal life: when people need to pick between two diners, being developed and change of plan, in the cash related market. There are occasions of equivalent ponders in zoology, administrative issues, and open action. A couple of makers use the articulation bunch lead to suggest conditions in which everyone is doing in like manner others are doing despite when their private information proposes achieving something extremely unprecedented.

H1: Price has significant effect to the social influence

# 2.5 Price and advertisement

The essential daily schedule with respect to propelling things as on uncommon can accomplish different short-run and longer-term objectives. Short-run results consolidate updated customer impression of save assets and regard, an improved mood toward the brand in regard to contenders, stock diminishing, and extended store traffic and transient arrangements. Longer-term effects can consolidate setting up a specific esteem picture for the advertiser, which in this manner can impact evident arranging among contenders, by and large shopping points and customer dependability. Given these essential effects, the unlimited use of offers esteem progressions isn't surprising.

A progressing report by national shippers bundle nitty gritty than 55 percent of buyer purchases for individuals articles of clothing in the midst of the principle segment of 1991 were made at a genuine esteem, Feigenbaum (1991). Besides, it has been assessed that retail marketing specialists may spend more than \$5 billion yearly propelling arrangement costs Friedmann and Haynes (1990). Given the colossal dimension of complete ideas of constrained stock and the proportion of money place assets into notification propelling arrangement costs, the ampleness of passing on bargain information to purchasers is of unprecedented noteworthiness to buyer sponsors.

H2: The advertisement has significant effect to the price

# 2.6 Social Influence and advertisement

Online life activity directly involves a liberal piece of the time spent on the Web Goel et al. (2012). Customers of the individual to individual correspondence advances make express depictions of their relationship with various customers (their sidekicks) boyd and Ellison (2007) and use that relationship as channels for information dispersing. They moreover develop a relationship with various substances to express their characters and get tied up with substance Sun et al. (2009). The in all cases appointment of such headways has incited publicizing approaches that differ from existing systems, for instance, look based advancing. For example, rather than gathering customer desire by methods for interest terms, social publicizing systems can organize advancements to buyers who have peers that are affiliated with the brand, thing, or affiliation being broadcasted Hill et al. (2006); Tucker (2012).

That is, the point at which an individual makes a decided relationship with a plugged component, social influence can happen tirelessly without additional

exercises, for instance, granting messages to other individuals. Finally, social publicizing empowers accomplices to expect an inexorably powerful activity in making and sponsoring advancement campaigns with specific substance, pictures, or video. We see social publicizing as any advancing method that uses information about purchasers' casual networks to target notices just as offers redid social hints.

Progressing chip away at social advancing (e.g., Tucker, 2012) has seen these parts, yet has been, as it were, unfit to recognize the degree in which social influence truly accept an occupation. As far as anyone knows, the present research is the first to perceive the effect of social signs from partners on customer responses to advancing. We use field examinations to make this identification possible.

H3: Advertisement has significant effect on social influence

#### 2.7 Price and Purchase intention

Thaler (1985) proposed a mental bookkeeping hypothesis dependent on prospect hypothesis, which clarifies human choices under states of vulnerability from an esteem boost point of view Kahneman and Tversky (1979). As per prospect hypothesis, clients favor positive results which are surer than results which are only plausible. Such a sureness impact makes individuals be hazard disinclined when settling on choices including gains (i.e., individuals will in general pick littler yet certain additions than bigger yet plausible increases). As indicated by mental bookkeeping hypothesis, clients gauge all-out utility for their decision and basic leadership. Complete utility, which is the whole of securing utility and exchange utility, speaks to the apparent all-out estimation of acquiring an item from a merchant. Obtaining utility is an examination of the identical estimation of an item (regardless of whether the item being bought merits its cost) and its cost. Past research Sweeney et al. (1999); Zeithaml (1988) recommends that item quality improves identical

estimation of an item. Dodds et al. (1991) found that item quality positively affects obtaining utility while cost negatively affects procurement utility.

The effect of the two key variables (i.e., cost and hazard) on clients choice amid Internet shopping can be represented by utilizing mental bookkeeping hypothesis. With respect to perspective, Jacoby and Olson (1977) recognized the genuine cost of an item (which incorporates shipping cost for Internet shopping) and the cost encoded by clients (saw cost). Clients do not, for the most part, recall the real cost of an item. Rather, they rationally encode costs in manners that are significant to them. For instance, they contrast genuine costs and reference costs Dodds et al. (1991) amid Internet shopping and after that encode the result as higher or as lower than their references. Such results drive the value view of clients, which thus impact their choices Jacoby and Olson (1977).

H4: Price has significant effect on purchase intention

# 2.8 Social influence and purchase intention

The centrality of understanding the action of social impact, how others sway our feelings, suppositions, or practices, in use, has a long and moving history in the fields of human science, cerebrum examines and showing. As a point a territory, the social impact is immeasurably wide, covering everything from minor closeness impacts and mimicry to continuously coordinate sorts of social effect as frequently as conceivable found in client settings, for example, retail deals. Given this, early work in human science and mind research depicted theoretical structures for discernment and exploring the social impact (e.g., Mead improvement of important interactionism, Festinger social association hypothesis) and gave persuading beginning stages to buyer lead experts to assemble a comprehension of the movement of social impact being used.

The articles chose for this extraordinary party are illustrative of this sort of work, as they have included new data into why the social milieu is both a basic and captivating bit of the utilization baffle. In each point of reference profiled, the producers have utilized a tested way to deal with oversee control segments of social impact, in this manner drawing in a continuously prominent view of how the subtleties found in the social condition can affect the buyer. As an amassing of research, these papers support the criticalness and unpredictability of social impact being used and ideally move coming about examination questions and contemplations in this invigorating zone of examination.

H5: social influence has significant on purchase intention.

# 2.9 Advertisement and Purchase intention

Due to the extension in the competition in for all intents and purposes all endeavors, the centrality of displaying correspondence for affiliations keeps climbing, for both corporate, non-advantage and open zones, especially for a consolidated system in organizing and recognizing works out Holm (2006). Notwithstanding the way that there is no understanding recorded as a hard copy with respect to remarkable importance of fused promoting exchanges, this thought consolidates joining extraordinary instruments, organized, similarly as off the cuff messages in order to achieve their most noteworthy effect Mudzanani (2015).

Consolidated exhibiting trades address a practical and capable method for planning messages mixed generally speaking reasons for the contact between the association and the customer Popesku et al., (2013). The thought has been starting at now associated in various fields, (for example, Hawkins et al., 2011 certified the likelihood and feasibility of its use in social promoting).

H6: Advertisement has significant effect on the purchase intention.

# 2.10 Brand Image and Price

A brand gets an esteem premium when the all-out that customers are anxious to pay for things from the brand is higher than the entire they are glad to pay for relative things from other relevant brands Aaker (1996). Competently, a couple of researchers portray cost premiums as the most profitable marker of brand esteem Blackston (1995); Aaker (1996); Sethuraman (2000). Observationally, a couple of examinations Agarwal and Rao, 1996; Ailawadi et al. (2003) seem to help their conflict by showing up, for example, that an esteem premium is reasonably consistent after some time, yet gets assortments in the brands prosperity, and is an astounding pointer of bits of the pie. A couple of writers, for instance, Doyle (2001), even battle that an esteem premium is the most fundamental way by which brands can make financial specialist regard since it requires no prompt dares to charge an increasingly costly rate.

In any case, since Peterson was just worried about a solitary sign (Value), a goal here was to ponder the idea of the cost apparent quality relationship in a multi prompt circumstance. Second, conquer a constraint related with sure earlier brand picture - quality assessment look into. As Jacoby, Olson, and Haddock (1971) noted, genuine items have as often as possible been utilized in item quality assessments concentrates to proximate reality. All the while, however, the impact of the brand picture has been explored by simply controlling marks on indistinguishable items. Since this sort of control is misrepresented contrasted with commercial center conditions, the present examination utilized genuine existing brands in the control of the brand picture.

H7: Price has significant effect on the brand image

# 2.11 Brand Image and Advertisement

The cutting edge universe of showcasing correspondence has turned out to be vivid and immersed with ads, and it is difficult to get taken note. It is a tough errand for the planner of a publicizing effort to separate itself from others and draw in watchers consideration. In this stream age, individuals will in general disregard all ads and notices while flipping through the magazines and papers or review TV. Be that as it may, and still, after all that, the fabulousness of a big name only from time to time goes unnoticed.

Along these lines, big-name support in the notice and its effect on the generic brand is of extraordinary hugeness. Famous people will be individuals who appreciate explicit open acknowledgment by a substantial number of specific gatherings of individuals. They have some trademark properties like engaging quality, exceptional way of life or extraordinary aptitudes that are not normally watching. Along these lines, it tends to be said that inside a general public, superstars by and large vary from the ordinary citizens and appreciate a high level of open mindfulness.

Supporters, of course, habitually appear, apparently, to be content with simply making a connection between a noticeable endorser and their thing with the desire that the endorsers sure picture will somehow rub off on the thing. The present research recommends that advertisers should put more effort not simply into picking endorsers who are all around coordinated with things, yet also into making strong disputes and persuading explanations for why endorsers really do like the things they grasp.

H8: Advertisement has significant effect on brand image

# 2.12 Brand Image and Purchase intention

The immensity of verifying the recollections of a brand in client basic organization has been well-documented Keller (1993). Additional time, brands structure shocking relationship in the psyches of customers Saavedra (2004) which help purchasers recuperate data chronicled in their brains to pick: when recouped, the data gives the motivation to procure the thing Aaker, (1992).

In that capacity, a particular brand character can help make a huge amount of uncommon and positive relationship in client memory and in this manner amassing and overhaul brand regard Keller, (1993). As such, brand character is viewed as a fundamental factor for a brand's accomplishment to the degree of inclination and decision Biel, (1993). In any case, the centrality of brand character and its impact on buy point have not been usually seen. Several examinations found that brand character estimations influence the brand decision, paying little character to thing type.

H9: Brand image has significant effect on purchase intention

# 2.13 Social Influence and Brand Image

Beginning late, affiliations have ceaselessly joined with these convincing people to support their image. (Di Giorno) moved a TV headway battle including basic YouTube characters Ray William Johnson, DeStorm Power and Colleen Evans. American Express paid understood Instagrammers to post incredibly satisfying pictures for them. Disney, Taco Bell and Major League Baseball have spent as much as \$30,000 for plans with Snapchat whiz Shonduras. As per one layout of showing chiefs, 59% expected to become their influencer spending plan in 2016.

Affiliations are enlisting associations that confirmation to measure the power of these influencers and see people that organize their images picture. Kred, for instance, picks the impact of a specific individual by giving spotlights for joint endeavors on Twitter and Facebook. Klout measures more than 400 factors crosswise over in excess of nine easygoing systems to have a broad impact score. Different associations like InstaBrand pinpoint the geographic locales where influencers are perfect allowing brands a chance to besides tailor their message. At that point, Influential sees character qualities of brands and picks influencers with taking a gander at personas.

H10: Brand image has significant effect on social influence



# **CHAPTER THREE**

# RESEARCH METHODOLOGY

In this chapter, the study will describe about the Hypothesis with the framework that will raise four constructs to study and discover. In addition, this chapter will explain the method that will use to measure and analyze in this study; it also shows the questionnaire design to survey.

### 3.1 Research Model

According to the Chapter two of the literature review and the hypothesis development, the statement of hypothesis would be described as the below framework (Figure 3.1.)

#### **FRAMEWORK**

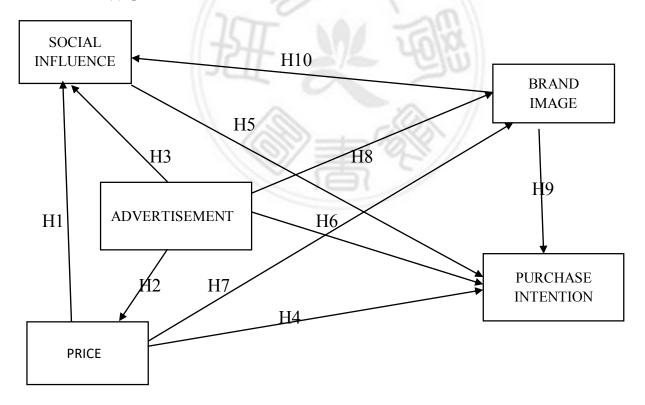


Fig.3.1 Research Model

#### **HYPOTHESIS**

H1: Price has significant effect with the social influence

H2: The advertisement has significant effect with the price

H3: Advertisement has significant effect on social influence

H4: Price has significant effect on purchase intention.

H5: social influence has significant on purchase intention.

H6: Advertisement has significant effect on the purchase intention.

H7: Price has significant effect on the brand image

H8: Advertisement has significant effect on brand image

H9: Brand image has significant effect on purchase intention

H10: Brand image has significant effect on social influence

#### 3.2 Instrument

The survey would be target on the people who are employee, undergraduate and graduate students, and businessman. The questionnaire would be divided into two part, construct and demographic. The construct will involve 10 from price, 10 from advertisement, 10 from social influence, 10 from brand image and 10 from purchase intention. Thus in total the framework has 50 questionnaires in total to measure the effects of price, advertisement and social influence on purchase intention.

The Demographic part will use the age, gender, occupation, education level and frequency of using laptop to separate the type of user.

In this study, it uses the five-point scale with "1" denotes as "strongly disagree", "2" denotes as "disagree", "3" denotes as "neutral", "4" denotes as "agree" and "5" denotes as "strongly agree". Thus, the scale will appear in the questionnaire survey by letting the respondent rates their perception on the items.

## 3.3 Questionnaire

In this study there are five construct Price, Advertisement, Social influence, Brand image and purchase intention.

Each constructs have their own component and questionnaire items that are based on the previous research in order to establish the questionnaire items to study.

#### **3.3.1 Price**

The questionnaires are taken from past research done by the authors in order to reveal the price construct Lilien and Kotler (1983, p. 390). I took the questionnaire from the book published by these authors.

- 1. You will always consider price while purchasing a laptop.
- 2. Laptop with higher price has all the good features.
- 3. Lower price gives you the feeling of dissatisfaction.
- 4. Higher price shows the status symbol in society.
- 5. If your idol is advertising the laptop you will not consider the price.
- 6. You will buy the most trending laptop without considering the price.
- 7. Lower price means low quality.
- 8. You will consider specifications more than price.
- 9. laptops with same feature but different price, will go for high price.
- 10. Price has no bars while you make a laptop purchase.

#### 3.3.2 Advertisement

In this study questionnaire are from the journals published by Zhanget al. (2010) Lee and O'Connor (2003) Sharma and Sing (2006).

- 1. While watching the advertisement you find the product interesting.
- 2. You find the advertisement catchy so you will buy the laptop.

- 3. You find the advertisement not clear will lead to ignore the brand.
- 4. Advertisement influence your opinion to purchase.
- 5. Celebrity endorsement attracts to purchase intention.
- 6. Do you trust items explicitly publicized by famous people are of good quality?
- 7. I transit the information to other I got from advertisement.
- 8. When I compare the laptop brands advertisement plays important role.
- 9. Some advertisements can cause negative emotional impact.
- 10. The information I found through advertisement can be beneficial for others.

#### 3.3.3 Social influence

In this study questionnaire are from the journals published by Coulter and Roggeveen (2012) (Wang et al. (2012) Wang and Chang (2013).

- 1. I get influenced by my friend's and family's suggestion about laptop.
- 2. I make decision by myself about laptop.
- 3. I always check online reviews about the brands.
- 4. I will buy the most popular brand in the market.
- 5. You will buy a laptop which can match your lifestyle.
- 6. You use social networking sites to get knowledge about the laptop.
- 7. You will buy the brand that most of your friends or people around you are using.
- 8. You will trust social media for the general reviews.
- 9. You will use social platform to search the image and specification of the laptop.
- 10. You will purchase your family brand.

### 3.3.4 Brand image

In this study questionnaire are from the journals published by Wangand Yang (2008) Aaker (1997, p. 347) Keller (2003).

- 1. Do you perceive the majority of the celebrated brands in the market?
- 2. In case there are numerous brands in the market you would incline toward the one is notable.
- 3. You will pick the outstanding brand when different brands offer comparable element or cost.
- 4. Do you concur surely understood brands present development in advancement?
- 5. Do you concur understood brands present better an incentive for cash over contenders?
- 6. Do you concur surely understood brands mirrors your own mental self-portrait and character?
- 7. Will you depend on workstations brand picture than its real traits in basic leadership?
- 8. Do you concur surely understood brands speaks to better quality?
- 9. Do you trust understood brand is solid?
- 10. You dependably purchase the best brand in the market.

#### 3.3.5 Purchase intention

In this study questionnaire are from the journals published by Berry (2000); Chang and Liu (2009); Senthilnathan and Tharmi (2012).

- 1. Will you change the present brand you are using?
- 2. You will consider the specifications and its brand equity before purchase.
- 3. You will just go to the store and purchase the laptop directly.
- 4. Social influence marks a major role in purchasing laptop.

- 5. Brand image is necessary for purchase of the laptop.
- 6. Advertisement leads to purchase of laptop directly.
- 7. Price is major barrier for purchase of laptop.
- 8. Specifications are the only criteria you would consider for purchase of your laptop.
- 9. Sale and promotional activities will lead more attraction towards purchase of laptop.
- 10. Style and outer feature will make you purchase laptop.

## 3.3.6 Demographics

The purpose of demographic design is to investigate the characteristic and type of user in this survey. According to previous study, this study could be measure by some of demographic as below:

- (1) Genders
- (2) Age
- (3) Education level
- (4) Income level
- (5) purchase frequency

### 3.4 Sampling and Data Collection

The research would conduct the quantitative data by doing survey on Google Form, and the link will send to social media, such as Facebook, LinkedIn, Gmail, Instagram..., etc. The link will let the respondent to tick the five scales that state the questionnaire items, and the sampling data required 350 respondents in order to be the reference and sampling to study the dissertation. After collecting the data meet with the requirement, the data will be exported into the SPSS (.sav) file. The method of analyzing the data stated in Data Analysis Procedure part.

### 3.5 Data Analysis Procedure

The research will use SPSS version 20 in order to conduct the data analysis and it used the methodological technique such as:

- Factor Loading and Reliability Test
- ANOVA and Independent T-test
- Confirmatory Factor Analysis
- Regression

## 3.5.1 Factor Loading & Reliability Test

The goal of factor analysis is to analyze the variance of a set of correlation coefficients. It can be related to exploratory and confirmatory purpose. The factor loading that is greater than 0.7 will select as a specific group of factor.

After finish the factor loading analysis, the study will use reliability to check the Cronbach's Alpha, item-to total correlation, and KMO. The Cronbach's Alpha should be greater than 0.7, and the item-to-total correlation should be greater than 0.5, and KMO should be higher than 0.5. If not meet the requirement, some items that are less will delete.

### 3.5.2 ANOVA and Independent T-test

ANOVA tests more than two groups, and T-test tests only two groups. This method is to test whether two groups or more than two groups are difference in one relation of single variable or not; or we can say the t-test and ANOVA examine whether group means differ from one another.

### 3.5.3 Confirmatory Factor Analysis

Confirmatory Factor Analysis used to define each construct, and test whether the data that collected fit with the hypothesis that already constructed or not. In the CFA, the loading should be higher than 0.7. CFI value ranges from 0 to 1 (values greater than 0.90, conservatively 0.95 indicate good fit). RMSEA that is 0.1, 0.05 or 0.08 will be the excellent result, and the value is higher than 0.1 are mediocre.

### 3.5.4 Partial Linear Square Regression

PLS become the popular method that resting the relationship between independent and dependent variable. The rule of thumb of PLS-SEM, the R2 will range from 0 to 1. The R2 would be lower when its value is less than 0.19, and it's moderate between the value of 0.33 t and below 0.672. Average variance extracted should be smaller than 0.5 and the Composite reliability should be higher than 0.5. Lastly, the Cronbach's alpha coefficient should be higher than 0.7.

#### **CHAPTER FOUR**

#### DATA ANALYSIS AND RESULTS

This chapter includes a section of the empirical results of the research. The first section is the descriptive analysis of the respondents including the response rates, characteristics of the respondents, and the measurement results of variables. The second section is the results of factor analysis and the reliability tests of measurement scales which consist of principal component factor analysis, item-to-total correlation, and Cronbach's  $\alpha$ . The third section is the confirmatory factor analysis. The final parts present the results of data analysis associated with each research hypothesis.

## 4.1 Descriptive Analysis

Descriptive Analyses is presented in this section to provide information about the characteristics of respondents and means and standard deviations of relevant research variables. The respondent rate is also presented in this chapter.

## 4.2 Characteristics of Respondents

The respondent's characteristics are displayed. Five major categories: genders, ages, educational levels, incomes, and purchase intention were collected and measured.

#### 1. Gender:

The table 4.1 shows the frequency statistics of gender. A total of 350 respondents where we have 185 male respondents and 165 female respondents which constitutes 52.9% as males and 47.1% as females.

Table 4. 1Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
	Male	185	52.9	52.9	52.9
Valid	Female	165	47.1	47.1	100.0
	Total	350	100.0	100.0	

#### 2. Age:

As shown table 4.2, the people at the aged of 20 to 29 accounted for the highest percentage and it respectively is 63.7%. The number of people aged over 40 ranked for the lowest among the ages 5.1%. The people under the age under 20 is 10.6% and people at the age of 30-39 is 20.6%

Table 4. 2 Ages

		Frequency	Percent	Valid Percent	Cumulative Percent
	Under 20	37	10.6	10.6	10.6
	20 - 29	223	63.7	63.7	74.3
Valid	30 - 39	72	20.6	20.6	94.9
	Over 40	18	5.1	5.1	100.0
	Total	350	100.0	100.0	

Source: Original Study

#### 3. Educational level:

According to the table 4.3, most participants are educated the following level: Fresh graduate from high school (9.1%), Undergraduate / bachelor (32.6%), Master (50.6%), Post graduate/ PHD (7.7%).

Table 4. 3 Educational Levels

		Frequency	Percent	Valid Percent	Cumulative Percent
	Fresh graduate from high school	32	9.1	9.1	9.1
Valid	Bachelor	114	32.6	32.6	41.7
Vulla	Master	177	50.6	50.6	92.3
	Doctorate / PHD	27	7.7	7.7	100.0
	Total	350	100	100.0	

#### 4. Income level:

According to the table 4.4, participant's monthly income ranged from 200 to 300 (\$US) had highest percentage with 35.4% while monthly income ranged from under 200\$/month is 16.3%, \$301-\$400 is 23.1% and over 400\$/month is 25.1%.

Table 4. 4 Incomes

		Frequency	Percent	Valid Percent	Cumulative Percent
	Under \$200 / per month	57	16.3	16.3	16.3
	\$200 - \$300 / per month	124	35.4	35.4	51.7
Valid	\$301 - \$400 / per month	81	23.1	23.1	74.9
	Over \$400 / per month	88	25.1	25.1	100.0
	Total	350	100	100.0	

Source: Original Study

### 5. Purchase frequency:

The participant's purchase frequency at least once a year is 29.7% while the lowest percentage of purchase frequency rarely is 19.7%, once a while is 25.4% and more than once a year is 25.1%.

Table 4. 5 Purchase Frequency

		Eraguanay	Percent	Valid Percent	Cumulative
		Frequency	rercent	vand reicent	Percent
	Rarely	69	19.7	19.7	19.7
	Once a while	89	25.4	25.4	45.1
Valid	At least once a year	104	29.7	29.7	74.9
	More than once a year	88	25.1	25.1	100.0
-	Total	350	100	100.0	

Source: Original Study

#### 4.3 Measurement Results for Relevant Research Variables

The descriptive statistics of the questionnaire items are presented in Table 4.6. The descriptive statistics identify the mean value and the standard deviation of the research questionnaire. Table 4.6 also illustrates the description of each item. This descriptive analysis recruits 5 items for purchase characteristics, 10 items for Price, 10 items for Advertisement, 10 items for Social influence, 10 items for Brand Image, 10 items for Purchase Intention.

The mean value and standard deviation describe the tendency of the participants for each relevant construct. The overall tendency of our questionnaire participant's opinions are summarized in Tables 4.6.

Table 4. 6 Descriptive Statistics

PRICE							
ITEMS	DESCRIPTION	Mean	Std. Deviation				
PC1	You will always consider price while purchasing a laptop.	4.30	.460				
PC2	2. Laptop with higher price has all the good features.	4.39	.495				
PC3	3. Lower price gives you the feeling of dissatisfaction.	4.43	.502				
PC4	4. Higher price shows the status symbol in society.	4.43	.507				
PC5	5. If your idol is advertising the laptop you will not consider the price.	4.48	.506				
PC6	6. You will buy the most trending laptop without considering the price.	4.40	.496				
PC7	7. Lower price means low quality.	4.43	.501				
PC8	8. You will consider specifications more than price.	4.37	.491				
PC9	9. Price has no bars while you make a laptop purchase	4.36	.482				
PC10	10. Price has no bars while you make a laptop purchase	4.49	.501				

Table 4. 6 Descriptive Statistics (continue)

	Descriptive Statistics						
ITEMS	ADVERTISEMENT  DISCRIPTION	Mean	Std. Deviation				
A1	1. While watching the advertisement you find the product interesting.	4.22	.730				
A2	2. You find the advertisement catchy so you will buy the laptop.	4.22	.738				
A3	3. You find the advertisement not clear will lead to ignore the brand.	4.22	.746				
A4	4. Advertisement influence your opinion to purchase.	4.20	.761				
A5	5. Celebrity endorsement attracts to purchase intention.	4.17	.731				
A6	6. Do you believe products specifically advertised by the celebrities are of good quality?	4.17	.736				
A7	7. I transit the information to other I got from advertisement.	4.15	.747				
A8	8. When I compare the laptop brands advertisement plays important role.	4.17	.732				
A9	9. Some advertisements can cause negative emotional impact.	4.15	.721				
A10	10. The information I found through advertisement can be beneficial for others.	4.16	.728				

Table 4. 6 Descriptive Statistics (continue)

# **Descriptive Statistics**

#### SOCIAL INFLUENCE

ITEMS	DISCRIPTION	Mean	Std. Deviation
SI1	I get influenced by my friend's and family's suggestion about laptop.	4.20	.777
SI2	2. I make decision by myself about laptop.	4.19	.784
SI3	3. I always check online reviews about the brands.	4.12	.794
SI4	4. I will buy the most popular brand in the market.	4.19	.833
SI5	5. You will buy a laptop which can match your lifestyle.	4.13	.806
SI6	6. You use social networking sites to get knowledge about the laptop.	4.20	.798
SI7	7. You will buy the brand that most of your friends or people around you are using.	4.11	.814
SI8	8. You will trust social media for the general reviews.	4.20	.816
SI9	9. You will use social platform to search the image and specification of the laptop.	4.12	.829
SI10	10. You will purchase your family brand.	4.15	.822

Table 4. 6 Descriptive Statistics (continue)

	Descriptive Statistics  BRAND IMAGE						
ITEM	DISCRIPTION	Mean	Std. Deviation				
BI1	1. Do you recognize most of the famous brands in the market?	4.34	.747				
BI2	2.In case there are many brands in the market you would prefer the one is well known.	4.31	.770				
BI3	3. You will choose the well-known brand when the other brands offer similar feature or price.	4.18	.876				
BI4	4.Do you agree well-known brands present advance in innovation?	4.34	.730				
BI5	5.Do you agree well-known brands present better value for money over competitors?	4.18	.824				
BI6	6.Do you agree well-known brands reflects your own self-image and personality?	4.27	.862				
BI7	7. Will you rely on laptops brand image than its actual attributes in decision making?	4.15	.939				
BI8	8.Do you agree well-known brands represents better quality?	4.33	.771				
BI9	9.Do you believe well-known brand is reliable?	4.14	.916				
BI10	10. You always buy the best brand in market.	4.17	.918				

Table 4. 6 Descriptive Statistics (continue)

	Descriptive Statistics						
PURCHASE INTENTION							
ITEM	DESCRIPTION	Mean	Std. Deviation				
PI1	1. Will you change the present brand you are using?	4.03	.756				
PI2	2. You will consider the specifications and its brand equity before purchase.	4.15	.814				
PI3	3. You will just go to the store and purchase the laptop directly.	4.14	.716				
PI4	4. Social influence marks a major role in purchasing laptop.	4.21	.736				
PI5	5. Brand image is necessary for purchase of the laptop.	4.15	.724				
PI6	6. Advertisement leads to purchase of laptop directly.	4.17	.748				
PI7	7. Price is major barrier for purchase of laptop.	4.08	.786				
PI8	8. Specifications are the only criteria you would consider for purchase of your laptop.	4.18	.708				
PI9	9. Sale and promotional activities will lead more attraction towards purchase of laptop.	4.09	.759				
PI10	10. Style and outer feature will make you purchase laptop.	4.23	.716				

# 4.4 Factor Analysis and Reliability

In order to identify the dimensionalities and reliability of the research constructs, the measurement items purification procedure was conducted as

necessary. The purification process includes factor analysis, which contains factor loading, the eigenvalue of the factors extracted from the measurement items. After factor analysis, to identify the internal consistency and reliability of the construct measurement, the item-to-total correlation, Cronbach's alpha is calculated.

- Factor loading higher than 0.6
- Kaiser-Meyer-Olkin Measure of Sampling Adequacy (KMO) higher than 0.5
- Eigenvalue higher than 1
- Reliability test: Item-to-total correlation equal to or higher than 0.5; Cronbach's Alpha equal or higher than 0.6.

#### **4.4.1 Price**

According to the previous chapter, product characteristics which were measured by 10 questionnaire items. Table 4.7 presented the results of factor loadings, eigenvalue, the percentage of variance explained, item-to-total correlation, Cronbach's  $\alpha$  for the measurement of price construct. After conducting factor analysis and reliability process, the dimensions of factor identified to explain the price, there are 10 items that used to explain product characteristics has been divided into 2 factors, following Roger (1962), characteristics of innovation factor 1 will be named as compatibility which has 6 items and factor 2 as relative advantage which has 4 items.

All items have factor loading greater than 0.6, and the highest is PC3 with a factor loading of 0.929 indicating this item had the highest relation to compatibility. All of the item to total correlation are greater than 0.5, Cronbach's  $\alpha$  greater than 0.6 and Eigenvalue greater than 1 as shown below, compatibility Cronbach's  $\alpha = 0.946$  and Eigen-value = 4.755; relative advantage Cronbach's  $\alpha = 0.879$  and Eigen-value = 2.938. Relative advantage components had accumulated a total of 76.931% of

explained variance which shows these are important underlying factors for this construct. Based on all criteria, we can conclude that the reliability and internal consistency of this factor are acceptable.

#### 4.4.2 Advertisement

After conducting factor analysis and reliability process, the dimensions of factor identified to explain the advertisement, 10 items have been divided into 2 factors, factor 1 is lifestyle related has 6 items, factor 2 is emotional appeal has 4 items. All items have factor loading greater than 0.6, and the highest is T7 with a factor loading of 0.987 indicating this item had the highest relation to emotional appeal. All of the item to total correlation are greater than 0.5, Cronbach's  $\alpha$  greater than 0.6 and Eigenvalue greater than 1 as shown below, lifestyle influence Cronbach's  $\alpha = 0.988$  and Eigenvalue = 5.780; emotional appeal Cronbach's  $\alpha = 0.984$  and Eigen-value = 3.645; advertisement components had accumulated a total of % of explained variance which shows these are important underlying factors for this construct. Based on all criteria, we can conclude that the reliability and internal consistency of this factor are acceptable.

#### 4.4.3 Social Influence

After conducting factor analysis and reliability process, the dimensions of factor identified to explain the social influence, 10 items have been divided into 2 factors, factor 1 is lifestyle related has 5 items, factor 2 is family influential has 5 items. All items have factor loading greater than 0.6, and the highest is SI4 with a factor loading of 0.976 indicating this item had the highest relation to emotional appeal. All of the item to total correlation are greater than 0.5, Cronbach's  $\alpha$  greater than 0.6 and Eigenvalue greater than 1 as shown below, lifestyle influence

Cronbach's  $\alpha = 0.985$  and Eigenvalue = 6.055; family influential Cronbach's  $\alpha = 0.983$  and Eigen-value = 3.339; advertisement components had accumulated a total of 93.943% of explained variance which shows these are important underlying factors for this construct. Based on all criteria, we can conclude that the reliability and internal consistency of this factor are acceptable.

## 4.4.4 Brand Image

After conducting factor analysis and reliability process, the dimensions of factor identified to explain the social influence, out of 10 items all items have factor loading greater than 0.6, and the highest is B7 with a factor loading of 0.929 indicating this item had the highest relation to Brand Image. All of the item to total correlation are greater than 0.5, Cronbach's  $\alpha$  greater than 0.6 and Eigenvalue greater than 1 as shown below, Cronbach's  $\alpha = 0.881$  and Eigenvalue = 4.915 Brand Image components had accumulated a total of 46.419% of explained variance which shows these are important underlying factors for this construct. Based on all criteria, we can conclude that the reliability and internal consistency of this factor are acceptable.

#### **4.4.5** Purchase Intention

After conducting factor analysis and reliability process, the dimensions of factor identified to explain the Purchase intention, out of 10 items all items have factor loading greater than 0.6, and the highest is PI3 with a factor loading of 0.770 indicating this item had the highest relation to Purchase intention. All of the item to total correlation are greater than 0.5, Cronbach's  $\alpha$  greater than 0.6 and Eigenvalue greater than 1 as shown below, Cronbach's  $\alpha = 0.871$  and Eigenvalue = 4.679 Brand Image components had accumulated a total of 33.416% of explained variance which shows these are important underlying factors for this construct. Based on all criteria,

we can conclude that the reliability and internal consistency of this factor are acceptable.

Table 4. 7 factor analysis and Cronbach's  $\boldsymbol{\alpha}$ 

Variables	Items	Factor Loading	Eigen value	Accumulative Explanation %	Item-to- Total Correlation	Cronbach's α
Advertisement			5.772	55.428%		0.988
T1		0.070			0.959	
T2		0.055			0.964	
Т3		0.078	3/	~	0.964	
T4		0.073			0.992	
		// 3	3.645	94.168%		0.984
T5	1	0.960	- 14	1 - 200	0.944	
Т6		0.962	- 3	1901	0.948	
Т7		0.987	0	-	0.986	
Т8		0.964		1/2	0.950	
Т9		0.943		10 V	0.923	
T10		0.941	V 7	5 5//	0.918	
(Reliability) Price			4.755	47.518%		0.946
PC2		0.949			0.918	
PC3		0.929			0.814	
PC4		0.874			0.813	
PC6		0.871			0.809	
PC7		0.865			0.890	
PC8		0.836			0.770	
(Tangibles) Price			2.938	76.931%		0.879

Table 4. 7 factor analysis and Cronbach's  $\alpha$  (Continue)

PC1	0.057			0.757	
PC5	-0.087			0.716	
PC9	-0.018			0.707	
PC10	0.087			0.775	
(Agreeable)		6.055	47.155%		0.985
Social Influence		0.033	47.13370		0.963
SI1	0.950			0.936	
SI2	0.956			0.943	
SI4	0.976			0.984	
SI6	0.967	·V.		0.965	
SI8	0.954			0.945	
(Competence)	// 1	3.339	93.943%		0.983
Social Influence	/700	3.339	93.943%	$\mathfrak{D}$ $//$	0.963
SI3	0.160	- 2	401	0.929	
SI5	0.110	. 0	-	0.937	
SI7	0.145		- 1/2	0.945	
SI9	0.159	(9)=	= %\\\	0.980	
SI10	0.134	V 7	5	0.951	
Brand image		10			
B1	0.099	4.915	46.419%	0.438	0.881
B2	0.089			0.410	
B3	0.905			0.711	
B4	0.097			0.429	
B5	0.740			0.634	
B6	0.718			0.656	
B7	0.929			0.735	
B8	0.680			0.660	
B9	0.743			0.652	

Table 4. 7 factor analysis and Cronbach's α (Continue)

B10	0.925			0.738	
Purchase					
intention					
PI1	0.729	4.679	33.46%	0.638	0.871
PI2	0.703			0.607	
PI3	0.770			0.685	
PI4	0.711			0.623	
PI5	0.735			0.653	
PI6	0.645			0.548	
PI7	0.621	·V.	1	0.526	
PI8	0.661			0.572	
PI9	0.728		/	0.639	
PI10	0.496	F N/	1 -	0.405	

## 4.5 Independent Sample t-test

The aim of this part is to identify the differences between male and female into the above 5 constructs.

The independent sample t-test used to compare means for male and female respondents on their opinion of product characteristics, information sources, electronic word of mouth, perceived value, perceived risk, suspicion and purchase decision in this study.

The significant results were p-value less than 0.05, and t-value could not be lower than 1.98. The independent t-test results were presented in Table 4.8. It showed that female respondents only have higher the mean score in purchase intention (SIF1), while male respondents have a higher mean score in the other

factors and constructs. However, t-test results indicated that there are differences between male and female incompatibility (PCF1) and buying convenience (PI).

Table 4. 8 Independent T-test

	Genders	N	Mean	Std. Deviation	T-VALUE	P-VALUE	
PCF1	Male	185	4.4468	.45647	4.942	0.085	
	Female	165	4.3657	.42368			
PCF2	Male	185	4.418	.42049	0.41	0.673	
	Female	165	4.4000	.41485	m		
AF1	Male	185	4.2459	.73327	0.339	0.402	
	Female	165	4.1803	.72918			
AF2	Male	185	4.1486	.72999	2.473	0.690	
	Female	165	4.1788	.67714			
SIF1	Male	185	4.2022	.78629	0.520	0.922	
	Female	165	4.1939	.77221			
SIF2	Male	185	4.0897	.78432	0.071	0.351	
	Female	165	4.1685	.78893			
BIMean	Male	185	4.2616	.55481	4.944	0.502	

Table 4. 8 Independent T-test (Continue)

	Female	165	4.2194	.61375		
PIMean	Male	185	4.1697	.44398	16.972	0.334
	Female	165	4.1164	.57140		

Note: \*p<.05, \*\*p<.01, \*\*\*p<.001

Source: Original Study

## 4.6 One-way Analysis of Variance ANOVA

To compare the dissimilarity of the dimension mean score based on respondent's ages, educational level, incomes, and online shopping frequencies, the one-way ANOVA was conducted.

This method is widely used to studies involving two or more groups. With the aim of gaining further understanding, one-way ANOVA was performed so as to find the significant difference factors of product characteristics, information sources, electronic word of mouth, perceived value, perceived risk, suspicion and purchase decision among each group. The one-way ANOVA produces a one-way analysis of variance of a quantitative dependent variable by a single factor as known as an independent variable.

## **4.6.1** Ages

There is no significant difference in most of the factors within the seven constructs among different age groups except for Advertisement (AF1) and Purchase Intention (PI) where the respondent age group of 20-29 mean are higher than age group of 30-39.

Table 4. 9 Results of the Difference of the Factors within the five Constructs among Group of Age Levels

		N	MEAN	Std. deviation	F-VALUE	P-VALUE	SCHEFFE
	Under 20	37	4.4234	.47074			
	20 - 29	223	4.4268	.43624	-		
PCF1	30 - 39	72	4.3519	.46686	.557	.644	NS
	Over 40	18	4.3796	.36962	-		
	Total	350	4.4086	.44255	-		
	Under 20	37	4.3243	.39027			
	20 - 29 223 4.4058 .41791		.41791				
PCF2	30 - 39	72	4.4479	.42364	.924	.429	NS
	Over 40	18	4.4861	.44119			
	Total	350	4.4100	.41735			
	Under 20	37	4.2703	.71535	3124 //		
	20 - 29	223	4.1659	.74355	1.012	.388	NS
AF1	30 - 39	72	4.3299	.71801			
	Over 40	18	4.2500	.64739			
	Total	350	4.2150	.73103	3//		
	Under 20	37	4.1622	.72167	//		
	20 - 29	223	4.1203	.69360			
AF2	30 - 39	72	4.2824	.69800	.992	.397	NS
	Over 40	18	4.2130	.83000			
	Total	350	4.1629	.70473			
	Under 20	37	4.3784	.73301			
	20 - 29	223	4.1964	.77156			
SIF1	30 - 39	72	4.1472	.83649	.965	.409	NS
	Over 40	18	4.0556	.71226	1		
	Total	350	4.1983	.77858	1		
SIF2	Under 20	37	4.1243	.87857			

Table 4. 9 Results of the Difference of the Factors within the five Constructs among Group of Age Levels (Continue)

	20 - 29	223	4.1166	.71335			
	30 - 39	72	4.0917	.95884	.783	.504	NS
	Over 40	18	4.4000	.69958			
	Total	350	4.1269	.78636			
	Under 20	37	4.2811	.59992			
	20 - 29	223	4.2498	.57233			
BIMean	30 - 39	72	4.2222	.61098	.282	.838	NS
	Over 40	18	4.1389	.59916	1		
	Total	350	4.2417	.58288			
	Under 20	37	4.2270	.53054			
	20 - 29	223	4.1466	.48637			
PIMean	30 - 39	72	4.1139	.55419	.533	.660	NS
	Over 40	18	4.0722	.55286	U/M		
	Total	350	4.1446	.50800			

Note: \*p<.05, \*\*p<.01, \*\*\*p<.001

Source: Original Study

#### 4.6.2 Educational Level

There is no significant difference in most of the factors within the five constructs among different educational levels except for advertisement (AF1), Brand Image (BI) and social Influence (SI1) where master is higher than bachelor; also in price (PC2) and social influence (SI2) where fresh graduate from high school are higher than master and bachelor; lastly is deleting negative review (PCF2) where the respondents from fresh graduate from high school are the highest.

Table 4. 10 Results of the Difference of the Factors within the five Constructs among Group of Educational Levels

		N	MEAN	Std. Deviation	F-VALUE	P-VALUE	Scheffe
	Fresh graduate from high school	32	4.4375	.46902			
	Bachelor	114	4.3553	.42100			
PCF1	Master	177	4.4266	.45429	.938	.422	NS
	Doctorate / PHD	27	4.4815	.42197			
	Total	350	4.4086	.44255			
	Fresh graduate from high school	32	4.3906	.38593	(C)		
	Bachelor	114	4.3509	.42556	1.418	.237	NS
PCF2	Master	177	4.4393	.41823			
	Doctorate / PHD	27	4.4907	.40121			
	Total	350	4.4100	.41735			
	Fresh graduate from high school	32	4.3672	.74591			
	Bachelor	114	3.9825	.69981			
AF1	Master	177	4.3333	.71443	6.123	000	NS
	Doctorate / PHD	27	4.2407	.75154			
	Total	350	4.2150	.73103			

Table 4. 10 Results of the Difference of the Factors within the five Constructs among Group of Educational Levels (Continue)

	Fresh graduate from high school	32	4.3490	.68570			
	Bachelor	114	4.0687	.71189			
AF2	Master	177	4.1695	.70206	1.761	.154	NS
	Doctorate / PHD	27	4.2963	.68303			
	Total	350	4.1629	.70473			
	Fresh graduate from high school	32	4.5125	.60308			
SIF1	Bachelor	114	3.9596	.80405			
3111	Master	177	4.2825	.77326	6.382	000	NS
	Doctorate / PHD	27	4.2815	.64750	10		
	Total	350	4.1983	.77858			
	Fresh graduate from high school	32	4.3375	.76612			NS
SIF2	Bachelor	114	4.0702	.77299	7		
3172	Master	177	4.0814	.80180	2.396	.068	
	Doctorate / PHD	27	4.4148	.69487			
	Total	350	4.1269	.78636	-		
	Fresh graduate from high school	32	4.3719	.57990			
DIMage	Bachelor	114	4.0447	.69270	-		
BIMean	Master	177	4.3412	.45081	6.946	000	NS
	Doctorate / PHD	27	4.2667	.66274	1		
	Total	350	4.2417	.58288	•		

Table 4. 10 Results of the Difference of the Factors within the five Constructs among Group of Educational Levels (Continue)

	Fresh graduate from high school	32	4.3094	.47679			
PIMean	Bachelor	114	4.0167	.53743	4.192	.006	NS
rivican	Master	177	4.1904	.46596			
	Doctorate / PHD	27	4.1889	.58857			
	Total	350	4.1446	.50800			

#### **4.6.3 Incomes**

There is no significant difference in most of the factors within the seven constructs among different income levels except for Price advantage (PCF2), where the respondents with income over \$500/per month are higher than those whose income is under \$200/per month; also in social influence (SIF2) where the respondents with income \$200-\$300/per month are the highest; lastly is payment method (SIF1) where the respondents with the income of \$301-\$400/per month are higher than those whose income under \$200/per month.

Table 4. 11 Results of the Difference of the Factors within the five Constructs among Group of Incomes Factor

		N	MEAN	Std. deviation	F-VALUE	P-VALUE	Scheffe
PCF1	Under \$200 / per month	57	4.3450	.42824			
	\$200 - \$300 / per month	124	4.4718	.44515			

Table 4. 11 Results of the Difference of the Factors within the five Constructs among Group of Incomes Factor (Continue)

	\$301 - \$400 / per month	81	4.3560	.45777	1.625	.183	NS
	Over \$400 / per month	88	4.4091	.42878			
	Total	350	4.4086	.44255	-		
	Under \$200 / per month	57	4.3114	.37583			
	\$200 - \$300 / per month	124	4.4012	.41787			
PCF2	\$301 - \$400 / per month	81	4.3858	.42948	2.849	.037	NS
	Over \$400 / per month	88	4.5085	.41773	Or II		
	Total	350	4.4100	.41735			
	Under \$200 / per month	57	4.0658	.73879			NS
	\$200 - \$300 / per month	124	4.2641	.71660			
AF1	\$301 - \$400 / per month	81	4.2253	.71218	1.001	.392	
	Over \$400 / per month	88	4.2330	.76263			
	Total	350	4.2150	.73103			
AF2	Under \$200 / per month	57	4.1316	.74251			
1112	\$200 - \$300 / per month	124	4.0591	.69623			

Table 4. 11 Results of the Difference of the Factors within the five Constructs among Group of Incomes Factor (Continue)

	\$301 - \$400 / per month	81	4.2510	.67295	1.797	.147	NS
	Over \$400 / per month	88	4.2481	.71071			
-	Total	350	4.1629	.70473			
	Under \$200 / per month	57	4.1333	.73030			
	\$200 - \$300 / per month	124	4.2742	.78293			
SIF1	\$301 - \$400 / per month	81	4.1778	.72595	.644	.587	NS
	Over \$400 / per month	88	4.1523	.85069	Or III		
-	Total	350	4.1983	.77858	- 11		
	Under \$200 / per month	57	4.0737	.67890			
	\$200 - \$300 / per month	124	4.0242	.74380			NS
SIF2	\$301 - \$400 / per month	81	4.2049	.80621	1.612	.186	
	Over \$400 / per month	88	4.2341	.87742			
-	Total	350	4.1269	.78636			
BIMean	Under \$200 / per month	57	4.1667	.63114			
211.10411	\$200 - \$300 / per month	124	4.2685	.52628			

Table 4. 11 Results of the Difference of the Factors within the five Constructs among Group of Incomes Factor (Continue)

	\$301 - \$400 / per month	81	4.3198	.50706	1.210	.306	NS
	Over \$400 / per month	88	4.1807	.68142			
-	Total	350	4.2417	.58288			
	Under \$200 / per month	57	4.0123	.55744			
	\$200 - \$300 / per month	124	4.1702	.44264			
PIMean	\$301 - \$400 / per month	81	4.1420	.46714	1.712	.164	NS
	Over \$400 / per month	88	4.1966	.58515	Of I		
	Total	350	4.1446	.50800			

# 4.6.4 Purchase frequencies

There is no significant difference in most of the factors within the five constructs among different Purchase frequencies except for Price (PCF2) and social Influence (SI2) where those who rarely shop online is the highest; also Price (PCF1) where those who shop at least once a month are higher than those who rarely shop; in adding positive review (SIF2) where the respondents whose shop online at least once a month are higher than those whose shop once a while; and lastly in purchase intention (PI) where those whose shop at least once a month is the highest.

Table 4. 12 Results of the Difference of the Factors within the five Constructs among Group of Purchase Frequencies

		N	MEAN	Std.Deviation	F-VALUE	P-VALUE	Scheffe
	Rarely	69	4.5870	.43122			
	Once awhile	89	4.2528	.37949	-		
PCF1	At least once a year	104	4.4455	.46821	8.237	000	NS
	More than once a year	88	4.3826	.42747			
	Total	350	4.4086	.44255			
	Rarely	69	4.3804	.40130			
	Once awhile	89	4.3511	.42926	-		
PCF2	At least once a year	104	4.4231	.42104	1.509	.212	NS
	More than once a year	88	4.4773	.40937	0		
	Total	350	4.4100	.41735	iii		
	Rarely	69	4.3333	.73972	1)		
	Once awhile	89	4.0421	.69519	//		
AF1	At least once a year	104	4.2548	.68086	2.462	.062	NS
	More than once a year	88	4.2500	.79600			
	Total	350	4.2150	.73103			
	Rarely	69	4.1498	.77657			
AF2	Once awhile	89	4.0300	.64870	-		
	At least once a year	104	4.3205	.62304	2.949	.033	NS
	More than once a year	88	4.1212	.76553			
	Total	350	4.1629	.70473	1		
SIF1	Rarely	69	4.2696	.77142			
	Once awhile	89	4.0225	.77368	1		

Table 4. 12 Results of the Difference of the Factors within the five Constructs among Group of Purchase Frequencies (Continue)

	At least once a year	104	4.2096	.78796	2.309	.076	NS
	More than once a year	88	4.3068	.76049			
	Total	350	4.1983	.77858			
	Rarely	69	3.9681	.67093		.106	NS
	Once awhile	89	4.0607	.66974			
SIF2	At least once a year	104	4.2423	.84609	2.056		
	More than once a year	88	4.1818	.88546			
	Total	350	4.1269	.78636			
	Rarely	69	4.1884	.44805		.014	NS
BIMean	Once awhile	89	4.2225	.63689	1 2		
	At least once a year	104	4.3885	.50209	3.586		
	More than once a year	88	4.1295	.67537			
	Total	350	4.2417	.58288	//		
	Rarely	69	4.1159	.39765			
PIMean	Once awhile	89	4.0404	.52261			
	At least once a year	104	4.2865	.49110	4.329	.005	NS
	More than once a year	88	4.1045	.55892			
	Total	350	4.1446	.50800			

# **4.7 Relationship Among the Constructs**

To test the hypotheses, and the relationship among the seven constructs, the data analysis was performed using SPSS, version 20. Descriptive statistics and

bivariate correlations among the variables for the study are shown in Table 4.13. This study also adopted Baron and Kenny's (1986), approach to test the mediation and moderation effect of the variables.

### 4.7.1 Relationship Among the five Constructs

The highest mean was for price (4.4093) with a standard deviation of 0.30746, while the lowest mean was purchase intention (4.1446) with a standard deviation of 0.508. The correlation coefficients can help shows the bivariate relationships among the 5 variables. Based on the correlation analysis of each variable it can be seen that all the 5 constructs are significantly positively correlated with one another.

Firstly, this study discusses the relationship among the variables used for testing the hypothesis; with price are significantly positively correlated with the variable of purchase intention (r=0.397, p<0.001), and significantly positively correlated with advertisement (r=0.224, p<0.001), also significantly positively correlated with social influence (r=0.268, p<0.001), while social influence is also found to be significantly correlated with purchase decision (r=0.488, p<0.001).

Advertisement is significantly positively correlated with the variable of purchase decision (r=0.398, p<0.001), and significantly positively correlated with social influence (r=0.347, p<0.001), while brand image is also found to be significantly correlated with purchase decision (r=0.638, p<0.001). Second, this study found that the strongest relationship among the 5 variable is purchase intention and Brand image (r=0.638, p<0.001).

Table 4. 13 Results of the Correlation of the five Constructs

		Mean	Std. Deviation	PCMean	AMean	SIMean	BIMean	PIMean
PCMea	Pearson Correlation	4.4093	.30794	1	.224**	.268**	.235**	.397**
n	Sig. (2-tailed)			350	.000	.000	.000	.000
	Pearson Correlation		.54672	.224**	1	.347**	.267**	.398**
AMean	Sig. (2-tailed)	4.1		.000		.000	.000	.000
	N			350	350	350	350	350
	Pearson Correlation	//~	.62827	.268**	.347**	1	.448**	.488**
SIMean	Sig. (2-tailed)	4.1 626		.000	.000		.000	.000
	N	JЩ		350	350	350	350	350
	Pearson Correlation		.58288	.235**	.267**	.448**	1	.638**
BIMean	Sig. (2-tailed)	4.2 417		.000	.000	.000		.000
	N			350	350	350	350	350
	Pearson Correlation		.50800	.397**	.398**	.488**	.638**	1
PIMean	Sig. (2-tailed)	4.1 446		.000	.000	.000	.000	
	N	]		350	350	350	350	350

\*\*. Correlation is significant at the 0.01 level (2-tailed).

Source: Original Study

#### 4.7.2 The Mediation Effect between different variables

To test the mediation effect of information sources between product characteristics and purchase decision, this study adopted Baron and Kenny (1986), approach. According to Baron and Kenny (1986), there are four steps to check the mediation effect of the variables: firstly, measuring whether the mediator has been in a significant relationship with the independent variable; secondly, to check that whether there is a significant relationship between the independent variable and the dependent variable; next step is to make a test to examine whether the mediator is significantly in the relationship with the dependent variable, when the independent variable be controlled; the last step is to establish that there are any the mediating between the mediator with the independent-dependent variables relationship, the effect of the independent variable on the dependent variable, controlling for the mediator should be zero.

Table 4. 14 Mediation Test of brand image Between Price and Purchase intention

Variable	BRAND IMAGE	Purchase Intension			
	Model 1	Model 2	Model 3	Model 4	
PRICE	.228***		.122***	.108***	
Brand Image		.178***		.066***	
R2 > 0.1	.055	.407	.158	.472	
Adj-R <sup>2</sup>	.052	.405	.155	.469	
$F$ -value $\geq 4$	20.266	238.507	65.220	154.837	
P-value > 1.96, p < 0.05	.000	.000	.000	.000	
D-W 1.5 - 2.5	1.216	.692	.322	.864	
VIF Range < 2	1.00	1.00	1.00	1.058	
T-value > 1.96	5.239	11.599	3.498	.365	

Source: Original Study

According to table 4.14, model 1 tested the relationship between price (independent variable) and brand image (mediator), and the results show that price is significant and positively affected brand image ( $\beta$ =0.228, p<0.001); for model 2 the test was for the relationship between brand image (independent variable) and purchase intention (dependent variable), and the results show that price is significant and positively affected to purchase intention ( $\beta$ =0.178, p<0.001); next, price is the independent variables and purchase decision is inputted as dependent variable in the third model, the results indicated that brand image is significant and positively affected to purchase intention (β=0.122, p<0.001), therefore H4 H7 and H9 are supported. Finally, price and brand image regressed with purchase intention shows  $(\beta=0.108, p<0.001; \beta=0.066, p<0.001)$  respectively in model 4. The results in model 4 showed that R2= 0.472 and the adjusted R2= 0.469, meaning that 46.9% of the variance in purchase intention can be predicted from price and brand image. F-value equals 154.837 (p<0.001) is significant. For multi collinearity, max VIF is 1.058. According to the results above, the beta value of purchase intention is reduced from 0.122 to 0.108, and both price and brand image are significantly related to purchase intention.

Table 4. 15 Mediation Test of brand image Between Social Influence and Purchase intention

Variable	BRAND	Purchase		
variable	<b>IMAGE</b>	Intension		
	Model 1	Model 2	Model 3	Model 4
SOCIAL INFLUENCE	.251***		.250***	.135***
Brand Image		.178***		.204***
R2 > 0.1	.201	.407	.238	.458
Adj-R <sup>2</sup>	.198	.405	.236	.455
$F$ -value $\geq 4$	87.381	238.507	108.551	146.415
P-value > 1.96, p < 0.05	.000	.000	.000	.000
D-W 1.5 - 2.5	1.297	.692	.278	.715
VIF Range < 2	1.00	1.00	1.00	1.251
T-value > 1.96	13.419	11.599	15.715	8.176

Note: \*\*\* p < 0.001, \*\* p < 0.01, \* p < 0.05, significantly

level at t > 1.96

Source: Original Study

According to table 4.15, model 1 tested the relationship between social influence (Independent Variable) and brand image (Mediator), and the results show that social influence is significant and positively affected brand image ( $\beta$ =0.251, p<0.001); for model 2 the test was for the relationship between brand image (independent Variable) and purchase intention (Dependent Variable), and the results show that brand image is significant and positively affected to purchase intention

(β=0.178, p<0.001); next, social influence is the independent variables and purchase decision is inputted as dependent variable in the third model, the results indicated that brand image is significant and positively affected to purchase intention (β=0.250, p<0.001), therefore H5 H9 and H10 are supported. Finally, social influence and brand image regressed with purchase intention shows (β=0.135, p<0.001; β=0.204, p<0.001) respectively in model 4. The results in model 4 showed that R2= 0.458 and the adjusted R2= 0.455, meaning that 45.5% of the variance in purchase intention can be predicted from social influence and brand image. F-value equals 146.415 (p<0.001) is significant. For multi collinearity, max VIF is 1.251. According to the results above, the beta value of purchase intention is reduced from 0.250 to 0.135, and both social influence and brand image are significantly related to purchase intention.

Table 4. 16 Mediation Test of brand image Between Advertisement and Purchase intention

Variable	Brand Image	Purchase Intension			
Advertisement (A)	Model 1	Model 2	Model 3	Model 4	
Advertisement	.304***		.259***	.170***	
Brand Image		.178***		.228***	
R2 > 0.1	.462	.407	.159	.462	
Adj-R <sup>2</sup>	.459	.405	.156	.459	
$F$ -value $\geq 4$	149.290	238.507	65.565	149.290	
P-value > 1.96, p < 0.05	.000	.000	.000	.000	

Table 4. 16 Mediation Test of brand image Between Advertisement and Purchase intention (Continue)

Variable	Variable Brand Image Purchase			
variable	Brand Image	Intension		
D-W 1.5 - 2.5	.810	.692	.323	.810
VIF Range < 2	1.077	1.00	1.00	1.077
T-value > 1.96	5.704	11.599	13.470	5.704

Note: \*\*\* p < 0.001, \*\* p < 0.01, \* p < 0.05, significantly

level at t> 1.96

Source: Original Study

According to table 4.16, model 1 tested the relationship between advertisement (Independent Variable) and brand image (Mediator), and the results show that price is significant and positively affected brand image ( $\beta$ =0.304, p<0.001); for model 2 the test was for the relationship between brand image (Independent Variable) and purchase intention (Dependent Variable), and the results show that advertisement is significant and positively affected to purchase intention ( $\beta$ =0.178, p<0.001); next, advertisement is the independent variables and purchase decision is inputted as dependent variable in the third model, the results indicated that brand image is significant and positively affected to purchase intention ( $\beta$ =0.259, p<0.001), therefore H6 H8 and H9 are supported. Finally, advertisement and brand image regressed with purchase intention shows ( $\beta$ =0.170, p<0.001;  $\beta$ =0.228, p<0.001) respectively in model 4. The results in model 4 showed that R2= 0.462 and the adjusted R2= 0.459, meaning that 45.9% of the variance in purchase intention can be predicted from advertisement and brand image. F-value equals 149.290 (p<0.001) is significant. For multi collinearity, max VIF is 1.077. According to the

results above, the beta value of purchase intention is reduced from 0.259 to 0.170, and both advertisement and brand image are significantly related to purchase intention.

Table 4. 17 Mediation Test of Social Influence Between advertisement and Purchase intention

Variable	SOCIAL INFLUENCE	Purchase Intension		
Advertisement (A)	Model 1	Model 2	Model 3	Model 4
Advertisement	.249***		.259***	.179***
SOCIAL INFLUENCE	13.50	.250***		.321***
R2 > 0.1	.121	.238	.159	.297
Adj-R <sup>2</sup>	.118	.236	.156	.293
$F$ -value $\geq 4$	47.688	108.551	65.565	73.416
P-value > 1.96, p < 0.05	.000	.000	.000	.000
D-W 1.5 - 2.5	.900	.278	.323	.395
VIF Range < 2	1.00	1.00	1.00	1.137
T-value > 1.96	10.230	15.715	13.470	8.925

Note: \*\*\* p < 0.001, \*\* p < 0.01, \* p < 0.05, significantly

level at t> 1.96

Source: Original Study

According to table 4.17, model 1 tested the relationship between advertisement (Independent Variable) and social influence (Mediator), and the results show that price is significant and positively affected social influence ( $\beta$ =0.249, p<0.001); for model 2 the test was for the relationship between social

influence (Independent Variable) and purchase intention (Dependent Variable), and the results show that advertisement is significant and positively affected to purchase intention ( $\beta$ =0.250, p<0.001); next, advertisement is the independent variables and purchase decision is inputted as dependent variable in the third model, the results indicated that social influence is significant and positively affected to purchase intention ( $\beta$ =0.259, p<0.001), therefore H3 H5 and H6 are supported. Finally, advertisement and social influence regressed with purchase intention shows ( $\beta$ =0.179, p<0.001;  $\beta$ =0.321, p<0.001) respectively in model 4. The results in model 4 showed that R2= 0.297 and the adjusted R2= 0.293, meaning that 29.3% of the variance in purchase intention can be predicted from advertisement and social influence. F-value equals 73.416 (p<0.001) is significant. For multi collinearity, max VIF is 1.137. According to the results above, the beta value of purchase intention is reduced from 0.259 to 0.179, and both advertisement and social influence are significantly related to purchase intention.

Table 4. 18 Mediation Test of Price Between Advertisement and Purchase intention

Variable	PRICE	Purchase Intension		
Advertisement (A)	Model 1	Model 2 Model 3		Model 4
Advertisement	.388***		.259***	.519***
PRICE		.122***		.303***
R2 > 0.1	.050	.158 .159		.259
Adj-R <sup>2</sup>	.047	.155	.156	.254
$F$ -value $\geq 4$	18.324	65.220	65.565	60.500

Table 4. 18 Mediation Test of Price Between Advertisement and Purchase intention (Continue)

Variable	PRICE	Purchase Intension		
P-value > 1.96, p < 0.05	.000	.000	.000	.000
D-W 1.5 - 2.5	1.572	.322	.323	.526
VIF Range < 2	1.00	1.00	1.00	1.053
T-value > 1.96	31.267	3.498	13.470	1.467

Note: \*\*\* p < 0.001, \*\* p < 0.01, \* p < 0.05, significantly

level at t > 1.96

Source: Original Study

According to table 4.18, model 1 tested the relationship between advertisement (Independent Variable) and price (Mediator), and the results show that price is significant and positively affected price ( $\beta$ =0.388, p<0.001); for model 2 the test was for the relationship between price (Independent Variable) and purchase intention (Dependent Variable), and the results show that advertisement is significant and positively affected to purchase intention ( $\beta$ =0.122, p<0.001); next, advertisement is the independent variables and purchase decision is inputted as dependent variable in the third model, the results indicated that price is significant and positively affected to purchase intention ( $\beta$ =0.259, p<0.001), therefore H2 H4 and H6 are supported. Finally, advertisement and price regressed with purchase intention shows ( $\beta$ =0.519, p<0.001;  $\beta$ =0.303, p<0.001) respectively in model 4. F-value equals 60.500 (p<0.001) is significant. According to the results above, the beta

value of purchase intention is reduced from 0.259 to 0.519, and both advertisement and price are significantly related to purchase intention.



# CHAPTER FIVE CONCLUSIONS & SUGGESTIONS

# 5.1 Research conclusion

In this chapter, research conclusion, managerial implications, and recommendation of future research are presented. In this first section, the research results from previous chapters are concluded. Based on those result, managerial implications are suggested. Finally, recommendation of future research is discussed.

Table 5. 1 Research Conclusion

SR. NO.	HYPOTHESIS	REMARK
H1	Price has significant effect with the social influence	SUPPORTED
H2	The advertisement has significant effect with the price	SUPPORTED
Н3	Advertisement has significant effect on social influence	SUPPORTED
H4	Price has significant effect on purchase intention.	SUPPORTED
H5	Social influence has significant on purchase intention.	SUPPORTED
Н6	Advertisement has significant effect on the purchase intention.	SUPPORTED
H7	Price has significant effect on the brand image	SUPPORTED

Table 5. 1 Research Conclusion (Continue)

Н8	Advertisement has significant effect on brand image	SUPPORTED
H9	Brand image has significant effect on purchase intention	SUPPORTED
	- Third in the same of grant on the same of the order of	2011011122
H10	Brand image has significant effect on social influence	SUPPORTED

Source: Original Study

The purpose of this study are 1: Price has significant effect with the social influence, 2: Advertisement has significant effect on social influence. 4: Price has significant effect on purchase intention. 5: social influence has significant on purchase intention. 6: Advertisement has significant effect on the purchase intention. 7: Price has significant effect on the brand image. 8: Advertisement has significant effect on brand image. 9: Brand image has significant effect on purchase intention. 10: Brand image has significant effect on social influence

The theoretical framework for this study was developed based on the above literature explained in chapter 2. From the result of this research, it has been found that price, advertisement, social influence, brand image to be the main drivers for purchase decision, as indicated in Table 4.19 above which shows the hypotheses tested with the results.

According to the results, a number of conclusions have been drawn from the study. This study has found that advertisement have significant effect on purchase decision, supported the previous finding of Teichert (2000); Burton et al. (2001); Kotler and Keller (2012) where advertisement significantly affect purchase decision. This finding indicated that when considering purchase, shopper would go through how the product is capable of better than others and how much it is compatible with

them through advertisement first before making or not making any decision to purchase.

This study also shows that advertisement significantly impact on price, which is the same study results of Kotler and Keller (2012); Jin and Phua (2014); No and Kim (2015), so when shoppers are looking for a particular product, they will try to obtain as much information as possible from differences sources of advertisement. Likely this study also found information sources to be impacted to purchase decision as well, Shankar et al. (2016) test also support this finding by founding product price to be the trigger of the consumers' interests and purchase, which mean the more buyer obtain information regarding the product they more likely they made decision to purchase.

Kuan, Yang, and Cheng (2005); Knoll (2015), also concluded that advertisement significantly associated with social influence, the same result as this study. It indicates that the results of this study are congruent with the results of previous studies, that the more the potential buyer sees that the product is good and better than others the more they want to share that information. As a result, from this study social influence also significantly impact to purchase decision, which also has been supported by Munir et al. (2018); Tanimoto and Fujii (2003) previous research. It's indicated that the higher the influence from that information from society the higher their decision to buy the product will be.

Brand image is also found to be significantly affect to purchase decision confirming the previous research of Antony et al. (2006); Kim et al. (2008), it shows that when potential buyer considers the risk involve it will influence greatly to how should they buy the product or not. Same as above finding, suspicion also found to significantly impact on purchase decision, also supported the finding of Zhuang et al. (2018), which indicate that when the potential buyer is suspicious of the brand

image they received it will influence their decision to purchase greatly to whether or not they should choose to buy the product.

As demonstrated from the result of the mediating effects of advertisement and price to the relationship of purchase intention, both mediation effects were found to be significant. For the first mediation the result showed that when advertisement entered itself, the effect of price on purchase decision was significantly reduced. When it happened, the effects of price are mediated through advertisement. This results gave more insight to the findings of Porter and Heppelmann (2014) where they found that in order to make judgement people rely on advertisement; also inconsistent with Steckel et al. (2005); Park and Lee (2009); Jin and Phua (2014), which indicated that even if the customer thinks that the product is good before making any purchase they will go through different kind of advertisements they can get first to make better judgment.

Furthermore, from the analysis test, it showed that price provided a partial mediation effect because the impact of price to purchase decision significantly reduced but still higher than zero. For the second mediation the result showed that when social influence entered itself, the effect of brand image on purchase decision was significant. When it happened, the effects of social influence mediated through brand image. This finding also supported by Gruen et al. (2007); Knoll (2015), which shows that even though the product shows promising the customer still prefer to go search for more opinion and suggestion, also that opinion would in turn influence whether or not to purchase. Moreover, from the analysis test, it showed that social influence provided a partial mediation effect because the impact of brand image to purchase decision significantly reduced but still higher than zero.

#### 5.2 Limitations

Likewise, with most observational research, this examination is liable for specific restrictions. To begin with, the present investigation is restricted to its extent of use because of the utilization of understudy subjects. Be that as it may, this is regular in exploratory research and is predictable with the ebb and flow practice. Second, assessing an item dependent on a short explanation and a rundown of properties in a survey does not reflect common assessment circumstances. Be that as it may, to decrease the level of imitation, impressive exertion was taken to make the assignment practical and significant. Understudy subjects were presented to data like that really accessible to them on grounds, and the main story was discovered effective in that no understudies identified the genuine reason for the examination. Third, the degree and contrasts in subject contribution to the undertaking and subject skill may impact results. Be that as it may, buyers with various dimensions of intrigue and mastery are basic in genuine circumstances, and the picked items are applicable to the understudy subjects. Fourth, theoretically, the investigation is constrained in degree because of the exclusion of other potentially significant factors that could have been brought into the model. In any case, this investigation considers a greater number of develops and linkages than most past research around there. Fifth, potential confinements exist with respect to the estimation of the builds considered. For instance, reference cost is operationalized as likely cost.

# **5.3 Managerial Implications**

The outcomes have an assortment of administrative ramifications, some of which are referenced here. To start with, saw cost is decidedly identified with target cost and contrarily hesitant to reference cost. This infers before choosing fitting value levels for target clients, advertisers should know purchasers' inside value

measures. For instance, vehicle purchasers frequently experience sticker stun. Such a wonder might be because of the absence of market learning with respect to promoting chiefs, who don't know potential clients' inner reference costs, or with respect to customers, who shop for new vehicles each at least three years and utilize past cost paid as an inward standard.

To decrease such stun, advertising administrators would first be able to decide shoppers' inside reference costs and continue in like manner. Then again, producers can in-structure shoppers of ongoing business sector costs to alter purchasers' interior value measures upward. This may be practiced by including relative (higher) costs of rivals in promotions. Second, cost applies a beneficial outcome on saw quality, however, this impact is directed by the significance and measure of inborn data. Accordingly, the value quality derivation is diminished within the sight of generous characteristic trait data. This recommends, contingent upon the aim, advertisers may structure data bundles that support the utilization of value data or those that stress the utilization of natural trait data. For driving brands, to urge customers to utilize cost as a quality prompt, promoting may de-underline inherent characteristic data. For lesser-known brands, direct correlation with driving brands on significant natural data may manage buyers to utilize inherent data in item assessments.

#### **5.4 Future Research**

Results from this examination and earlier examinations researching comparative build unequivocally recommend the requirement for improved getting, definitions, and estimations of the explored develops. Despite the fact that the most apparent quality relationship has a solid and long research custom and the different builds considered in this examination have been inspected in earlier investigations, settled upon developing definitions and estimation scales don't exist for all builds.

To encourage research and information headway, consideration ought to be committed to the improvement of substantial and solid proportions of these builds. In the event that this is done, not exclusively will the nature of research in the territory be improved, yet the equivalence of results over investigations will be facilitated might be helpful to inspect the numerous implications of different develops and how these implications are connected. For instance, saw the quality and saw esteem may hold different implications.

Monroe and Chapman (1987) recommend that esteem might be deteriorated into procurement esteem and exchange esteem, though Parasuraman, Zeithaml, and Berry (1985) discovered predictable components of saw quality for administrations. Expecting that item quality recognitions have various measurements, an examination of what measurements influence exchange esteem and what might be helpful. As different quality measurements may influence the two esteem measurements in an unexpected way, such exertion may reveal some insight into how to viably convey to buyers to improve an item's apparent esteem. Future research should examine elective models of the connection between item data and buy a goal. Few reasonable models have been proposed, yet a broad experimental examination of these models is deficient. Further, the low illustrative

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### **APPENDEX QUESTIONNAIRE**

Thank you very much for participating in this survey! The survey is being done by a master of business administration student in the Department of Business Administration at Nanhua University, Taiwan. All of the answers provided in this survey will be kept confidential. No identifying information will be provided to the public, individuals or organizations. The survey data will be reported for this study only.

You will be asked to rate how each statement describes you feel about the statements. Answers can range from strongly disagree (1), agree (2), neutral (3), agree (4), strongly agree (5). It will take approximately 20 minutes to complete the questionnaire.

## **Appendix I: Pre-test Questionnaire**

- 1. Please specify your gender?
  - 1.Female 2. Male
- 2. How old are you?
  - 1. Below 20 2. 21-30 3. 31-40 4. Above 40
- 3. What is your Education level?
- 1. Intermediate or equivalent 2. Graduate or equivalent 3. Master or equivalent 4. PhD or equivalent
- 4. purchase frequency of laptop?
  - 1. Rarely 2. Once a while 3. Once a year 4. More than once a year
- 5. what is your Income level?
- 1. under 200\$ per month 2. 200\$ to 349\$ per month 3. 350\$ to 499\$ per month 4. 500\$ and above

# **Appendix II: Positive test Questionnaire**

Price		Le	vels	of ag	green	nent		
		Strong	disagre	Disagre	Neutral	Agree	Strong	agree
1	You will always consider price while purchasing a laptop.							
2	Laptop with higher price has all the good features.							
3	Lower price gives you the feeling of dissatisfaction.							
4	Higher price shows the status symbol in society.	9	ES LO					
5	If your idol is advertising the laptop you will not consider the price.							
6	You will buy the most trending laptop without considering the price.	/						
7	Lower price means low quality.							
8	You will consider specifications more than price.							
9	laptops with same feature but different price, will go for high price.							
10	Price has no bars while you make a laptop purchase							

Advertisement			Levels of agreement				
		Strong	disagree	Disagree	Neutral	Agree	Strong
1	While watching the advertisement you find the product interesting.						
2	You find the advertisement catchy so you will buy the laptop.						
3	You find the advertisement not clear will lead to ignore the brand.						
4	Advertisement influence your opinion to purchase.						
5	Celebrity endorsement attracts to purchase intention.		X				
6	Do you believe products specifically advertised by the celebrities are of good quality?						
7	I transit the information to other I got from advertisement.						
8	When I compare the laptop brands advertisement plays important role.						
9	Some advertisements can cause negative emotional impact.						
10	The information I found through advertisement can be beneficial for others.						

Social influence		Lev	Levels of agreement					
		Strong	disagree	Disagree	Neutral	Agree	Strong agree	
1	I get influenced by my friend's and family's suggestion about laptop.							
2	I make decision by myself about laptop.							
3	I always check online reviews about the brands.							
4	I will buy the most popular brand in the market.	20		\				
5	You will buy a laptop which can match your lifestyle.	0)	(I)					
6	You use social networking sites to get knowledge about the laptop.							
7	You will buy the brand that most of your friends or people around you are using.							
8	You will trust social media for the general reviews.							
9	You will use social platform to search the image and specification of the laptop.							
10	You will purchase your family brand.							

Brand Image		Lev	Levels of agreement					
		Strong	disagree	Disagree	Neutral	Agree	Strong agree	
1	Do you recognize most of the famous brands in the market?							
2	In case there are many brands in the market you would prefer the one is well known.							
3	You will choose the well-known brand when the other brands offer similar feature or price.							
4	Do you agree well-known brands present advance in innovation?		C					
5	Do you agree well-known brands present better value for money over competitors?	>/						
6	Do you agree well-known brands reflects your own self-image and personality?							
7	Will you rely on laptops brand image than its actual attributes in decision making?							
8	Do you agree well-known brands represents better quality?							
9	Do you believe well-known brand is reliable?							
10	You always buy the best brand in market.							

Purchase Intention		Levels of agreement					
		Strong	disagree	Disagree	Neutral	Agree	Strong agree
1	Will you change the present brand you are using?						
2	You will consider the specifications and its brand equity before purchase.						
3	You will just go to the store and purchase the laptop directly.						
4	Social influence marks a major role in purchasing laptop.	1/2	1				
5	Brand image is necessary for purchase of the laptop.						
6	Advertisement leads to purchase of laptop directly.						
7	Price is major barrier for purchase of laptop.						
8	Specifications are the only criteria you would consider for purchase of your laptop.						
9	Sale and promotional activities will lead more attraction towards purchase of laptop.						
10	Style and outer feature will make you purchase laptop.						