3.0 RESEARCH METHODOLOGY

3.1. Sampling Procedure

This study involved the collection of primary and secondary data. Primary data was collected through the using of questionnaire to 170 respondents. Researcher fixes a minimum requirement in order for the sample to be eligible to be a respondent. Those being approached must have at least tertiary education as a minimum education background and currently being employed as an Executive or above in any of the private sector. This is to ensure that this pool of sample is representative of the potential buyer of luxury car segment. Thank you card was send to those who responded. Meanwhile, the secondary data was collected through magazines, periodicals and books.

3.2 Instrument

Self-administered questionnaire was used whereby the questionnaire was filled by the respondent in the absent of the interviewer. The questionnaires was distributed via E-mail and personally handed over by the researcher to the respondents randomly. It was a four (4) pages questionnaire with a combination of multiple choice question and 5 likert scale question. E-mail was used as it produces cheaper distribution and processing fees, faster turnaround time, more flexibility and less paper chasing.

3.3 Questionnaire Design

The important/critical factors that determine the success or failure of this study were the design of the questionnaire. The importance of a well-designed questionnaire cannot be over-emphasized. There are several points that need to be considered.

A lengthy or complicated question decreases the response rate. A short or simple question may not be enough to cover the subject sufficiently. Hence an optimal balance has to be achieved.

Open-ended questionnaire are good in permitting free expressions from the respondents but might face difficulty in coding and analyzing. Closed-ended question will be more suitable for research purposes.

Language, phraseology and expressions used should be carefully chosen to reflect the study requirements. The researcher's familiarity with the subject may blind him/her from the fact that what is obvious to him/her may be alien or confusing to the respondents.

The questionnaire was designed after considering all the above obstacles or factors.

3.4 Data Collection

a) Primary Data

Primary data for this survey was collected via E-mail. It has been argued that respondents feel they can be much more candid on E-mail for some

reasons they can candid on other self-administered questionnaire. According to the researcher firms, Socratic Technologies & American Research, they claim that E-mail survey will produce better response rate compared with other written materials because E-mail questionnaire arouse curiosity because the user are novel and because people opening their mail are prepared to interact.

The questionnaire was in the form of multiple-choice question where respondents are required to choose an answer from among a list provided in the question. Respondents are allowed to choose one/more of the alternatives provided for some questions.

Apart from the multiple choice question, the respondents was asked regarding car attributes using 5 likert scale questions ranging from very important to not important.

b) Secondary Data

Secondary data are data gathered and recorded by someone else prior to (and for purposes other than) the current needs (Zikmund, 1997) In another word they are data collected previously for purposes other than the one at hand. For the purpose of the research, secondary data was gathered through references books, magazines, periodicals and relevant associations websites e.g., MMA websites.

c) Sampling

Sampling refers to the process of using a small number of items or parts of a larger population to make conclusions about the whole population (Zikmund,1997)

For the purpose of this study, a non-probability sampling procedures was used. Due to the time & budget constraint, a convenience sampling was used whereby 170 questionnaires was distributed randomly via E-mail and personally handed over to respondents particularly concentrated around Selangor and Federal Territory.

3.5. Hypotheses

This study aim to test previous research regarding the consumption of luxury goods / prestige brands which was viewed as a signal of status and wealth, and whose price, expensive by normal standards, enhances the value of such a signal (perceived conspicuous values). Since long time ago, automobile has been identified as a mean to show off one's wealth and prestige, it is interesting to gain knowledge on whether this statement is a universal statement.

Hypotheses 1

Ho : Consumption of luxury car is not viewed as a signal of status.

H1 : Consumption of luxury car is viewed as a signal of status.

We would like to identify what are the reasons behind consumers desire in purchasing luxury goods especially automobile in Malaysia. What is the perception that consumer has on the luxury car segment in term of their image of status, their quality and uniqueness. Reason why quality and uniqueness is being tested beside status is because, from previous

research, it was found that consumer would perceive a particular brand prestigious just because not everyone can afford to own it. The motivation behind this behaviour is called as ***'the snob effect'.*** It was believed that the snob effect beside taking into consideration of the personal and emotional desire when purchasing or consuming prestige brands, but it also influences and is influenced by other individuals' behaviours. As for quality, the motivation behind it is ***perfectionist.*** Based on previous research, it was proposed that quality could be used to evaluate the level of prestige brand. This information can be used as a tool in designing a strategic marketing mix for the marketer concern and create a competitive edge against competitor.

Hypotheses 2

Ho : If virtually everyone owns a particular brand, it is by definition not prestigious. (perceived unique value)

H1 : If virtually everyone owns a particular brand, it is by definition prestigious.

Hypotheses 3

Ho : Prestige is not derived partly from the technical superiority and the extreme care that takes place during the production process.

H1 : Prestige is derived partly from the technical superiority and the extreme care that takes place during the production process. (perceived quality value)

3.6 Data Analysis Techniques

Computer program package such as Statistical Package for the Social Science (SPSS) was used for statistical analysis and Microsoft excel for drawing graph and chart purposes. Types of analytical techniques used: -

a) Chi-square (X^2) test

This is a test that statistically determines significance in the analysis of frequency distributions. The logic inherent in the X^2 test allows us to compare the observed frequencies with the expected frequencies based on our theoretical ideas about the population distribution or our presupposed proportions.

b) *t*-TEST

A technique used to test the hypothesis that the mean scores on some interval-scaled variable will be significantly different for two independent samples or groups. Under this test, we will assume that two samples are drawn from normal distributions. Further we will assume the variances of the two populations or groups are equal and it is an interval data.

c) Cross-tabulation using Chi-Square Test for Goodness of Fit.

This is a technique for describing sets of relationships. It is a joint frequency distribution of observations on tow or more sets of variables. It means that tabulation of subgroups will be conducted for comparison purposes. The using of Chi-Square is to provide a means for testing the statistical significance of contingency tables and allows us to test for differences in two groups' distributions across categories.

d) Factor Analysis

The purpose of this analysis is to summarize the information contained in a large number of variables into a smaller number of factors. The statistical purpose of factor analysis is to determine linear combinations of variables that aid in investigating the interrelationships.

e) Correlations

This analysis is use to see if there is any correlation between the tested variables.

f) Reliability test

The purpose of running the reliability test is to ensure that the variables that being used are free from error and therefore yield consistent results.