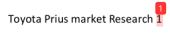


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Factors Affecting Customers Motivation and Choice of Hybrid Car in Australia.

By

Students Name

Course Code

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Date

Introduction and Overview.

First, motivation is a state found within the life of a potential consumer that drives them to buy a good or service. It is a state in which a conscious or unconscious need and desire drives a person to want to be fulfilled. It was first propagated by Maslow, who refers to these needs as psychological and concerns for the basic survival which is in a form of hierarchy the needs include, recognition and self-actualisation, love and relationships. (Maslow (Maslow,; Gawel, 1996). The motivations for car buying in Australia are differentiated. The following study aims to investigate the particular motivations for the Toyota Prius in the Australia. It aims to differentiate between different regions to realise the factors affecting the sale of the car called for by the steady decline of sales since its inception. Further, it aims to investigate how they can be consolidated for the sake of benefit for the company.

Research problem

In the last year, the Australia motor Market has seen an increase in the sale of Hybrid cars. (Car Advice AU, 2020) The Toyota Prius ('Prius' for purposes of the study) has also experienced an increase in sales. However, compared to other forms of Toyota Hybrid vehicles such as the Hybrid Toyota Rav4 the model seems to be experiencing a surge in sales. Car advice Australia recorded that the Rav4 represents over forty percent of total sales of the Hybrid while the Toyota Prius only has below one percent. Despite its glory days, the car has experienced a steady decline in sales since 1997. Hence, the company aims to discover the motivations of customers in purchasing hybrid cars and what they miss in the Prius in particular. (

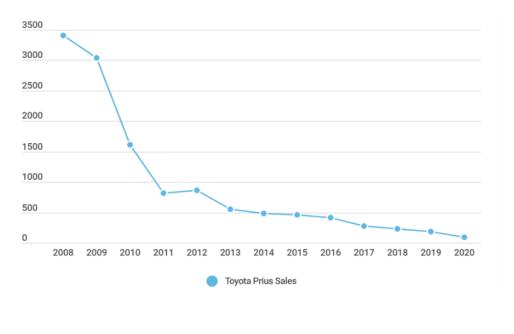


Fig. 1.1 Source, (Car Advice Au, 2020) shows a steady decline in the sales of the Toyota Prius for a over a decade justifying the research.

Justification.

The Toyota Prius is a sedan full hybrid electric automobile that has been produced by the Motor giant, Toyota since 1997. Unlike a common fuel powered car, the Prius as a hybrid has the ability for higher mileage, it uses clean energy due to its low reliance on fuel. It also has a higher resale value as opposed to the conventional car. However, the car is high maintenance and has no sport tuned suspensions. The research is justified by the fact that the different features may affect the attitudes of consumers. Due to the increased sales of hybrid cars, the study is called for to find out why then is the Prius facing such a challenge. Finding out how the features affect sales is vital to market research further, the focus on the particular car is a precise and efficient source of information for the company.

Research questions.

- 1. Why consumers buy hybrid cars.
- 2. Why consumers buy the Prius.
- 3. Why consumers of other Hybrid cars do not prefer the Toyota Prius.
- 4. What potential consumers would prefer in the Prius.
- 5. What about the Prius has changed over the years in matters of customer motivation and attitudes

Research objectives

- > To find out why consumers buy hybrid vehicles
- To find out why the consumers prefer other models of hybrid cars over Prius
- To investigate the preferences of consumers of general motor vehicle feature preferences.
- > To investigate the causes of consumer attitude change over the years.

Literature review.

Won-Moo et al. (2015) investigate the consumer values and the social demographics that affected the sale of Hybrid cars as green products. They were inspired by the need for market research to investigate the customer motivations and the link between the value to the customer and satisfaction. The research found factors such as function and sociological perspective affected how people bought the vehicles. Further, the different factors varied between the sex and age of the consumers.

The issues of worldwide attention towards environmentally friendly products and manufacturing have become an important feature in manufacturing. (Chen and Chai 2010). Nearly all vehicle manufacturing companies have created environmentally friendly vehicles including close competitors to Toyota such as the Honda. The Honda comes at a relatively lower entry price than the Prius which offers the question of whether the price of the subject vehicle. As a green vehicle, research has found that environmental matters alone have not been enough to provide marketers with the complete knowledge of attitude levels for consumers. (Car Advice Au, 2020). Moreover, research has found other factors affecting customer motivations which include economic motivations such as tax incentives, the product image as well as the popularity. (Jansson, Marell and Mordlund, 2009).

The consumers motivational factors are coined to what they believe is valuable to them, the drive towards which they are motivated to purchase a particular vehicle. Wahyuningsih, 2005 discovered that the customer motivation was equal to the result of the difference between what the customer was able to enjoy versus what they could forego. Further, with the purchase of the motor vehicle the consumer factored in features such as the mileage coverage, the socially acceptable ways of fuel consumption and other hedonic features such as comfort and driving experience. How does the price, quality and comfort relate? Are the factors of the green vehicle better compared to other products in the Market? The final element of examination has to be the social utility of the vehicle. Sweeney and Soutar, (2001) stated that the vehicle must attain a certain degree of social utility. It is attached to the consumer's perceived value of the product. Social utility is the ability for a product to reach and enhance a consumers socially accepted standards, beliefs and attitude. The utility goes to the root of the self-actualisation theory of belonging and maintaining a particular image. The theoretical belief by a potential consumer that by owning a certain object, they are able to fulfil a certain desire thereby self-fulfilment that they convey the correct image at least to their acceptable standard. In 2010, a study of consumer motivations found that the purchase of hybrid vehicles in particular was affected by the consumer need for image. The consumers attached their possession as an item of social identification. (Chua, Lee and Sadeque, 2010).

PROPOSED RESEARCH DESIGN AND METHODOLOGIES

Social Media Analytics

In recent years, social media has become a major data mining platform. With its integration with big data and biometrics, it has become an inexpensive way for all kinds of research including social experiments to information for policy formulation as well as social movements. They involve the collection of data of social media to aid in the extraction of

information for the required study. The method involves the use of key words and hashtags to maintain a discussion over a period of time. Kim and Jeong(2015) referred to it as an opinion-mining methodology for information search. They developed a methodology of opinion mining for the consumer product noodle in South Korea to extract old and new information that related to the product. The research methodology was recommended for other industries as well. The methodology is vital to this study due to its incorporation for a wider space and audience. Given the Web qualities, the researcher can extract comparative information not only in the Australia but also in other continents. It is important in marketing research to study the competition, which in light of the cost and time used in market research, a social media study would be more efficient. Further, these methodology is justified by the fact that the audience is unaware of the intentions of the researcher hence there are increased chances of the truth. It involves the use of sentiments and emotive statements to extract the reactions of people of brand interest on the social media. As the most common method of fast communication today, social media is a perfect method for sustainable market research. (Păvăloaia, 2019).

Consumer Survey.

On the question of why consumers use the Prius, the study aims at employing the consumer survey method. In a form of a review, the study will aim to discover why the users of the Prius prefer it over the other forms of hybrid cars such as the hybrid Honda Accord and the Toyota Rav4. In a more personable ways, the customer surveys have been prove to increase profitability as it gives a company insight into the ways of competitors and answers the questions of why the particular consumer prefers to continue using the product. Further, the importance of the customer survey is to find why again the consumers would prefer they had invested in another model as opposed to the Prius. Given the online presence of the company and its current and potential consumers, the method offers a slightly different method of data collection in which the company can collect data not only from people who have heard about, but first hand users of the motor vehicle. (Zairi, 1992; Kozak and Baloglu, 2010)

Conclusion.

The two methodologies for research allow for the creation for hypothesis for the research. The social media analysis allows for a generalised sociological view of what people view the Prius while the second method can be carried out in the company's premises to get first-hand information on the real motivations for and against the vehicle. Additionally, the two methods have been proven effective by extensive research over the cause of time. The social media analytics will help to save the cost of analysing how the attitudes of people on the

internet can affect the attitudes of the Australian market as well as offer competitor information.

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