FACTORS INFLUENCE ON CONSUMER PURCHASE INTENTION TOWARD LUXURY CARS IN KUNMING

BIN YANG

A THESIS SUBMITTED IN PARTIAL FULFILLMENT
OF THE REQUIREMENTS FOR THE DEGREE OF
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ABSTRACT

This research aims to study the influence of demographics and perceived value on luxury car purchase intention in Kunming. The researcher used the questionnaire survey tool to collect data from 405 customers interested in luxury cars. The statistics used to analyze the data were descriptive statistics, including frequency, percentage, mean, standard deviation, and standard deviation, and inferential statistics, including independent samples t-test, one-way ANOVA, LSD, and multiple linear regression with a statistical significance level of 0.05. The results found that most respondents were female, aged 20-30 years old, with a bachelor's degree, married status, and a monthly income of more than 16,000 yuan. The first hypothesis was tested, and it was found that gender, education level, and income significantly affect different purchase intentions of luxury cars in Kunming. When the second hypothesis was tested, it was found that brand, quality, price, design, utility, and technical considerations significantly impact the purchase intention of luxury cars in Kunming.

Keywords: perceived value, purchase intention, luxury cars

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All in all, the success of this research would not have been possible without the support of many people, and I feel very lucky to have such a team and connections. Thank you for your support. I will always cherish this experience.

Bin YANG

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CHAPTER I
INTRODUCTION

1.1 Background and Statement of the Problem

Luxury cars refer to cars with high quality, high price, high reputation, and high social status. The luxury car market has maintained steady growth globally, especially in China, where the demand for luxury cars has also increased due to rapid economic development and rising consumer income levels (Sujarittanonta & Boonyasana, 2021). Kunming is an important central city in southwest China and the capital and largest city of Yunnan Province. Kunming is rich in natural resources and cultural landscapes and is known as the "Spring City". Kunming's economic strength has also improved significantly in recent years. In 2022, Kunming's regional GDP will reach 754.14 billion yuan, and the per capita disposable income will be 38,167 yuan. As the living standards of Kunming residents improved, the demand for luxury cars gradually increased (Chaiyaporn, 2019). Kunming's luxury car market has many brands, including Mercedes-Benz, BMW, Audi, and other internationally renowned brands. The fierce competition among these brands leads to price drops and profit compression of luxury cars (Ministry of Commerce of the People's Republic of China, 2019).

Dhanabalan et al. (2018) perceived value was positively influenced by brand, price, quality, design, utility, and technical consideration. Moreover, all these factors affect the purchase decision of the automobile consumer.

There are few studies on the factors influencing Kunming consumers' willingness to purchase luxury cars. Therefore, this study aims to explore the factors influencing consumers' willingness to buy luxury cars in Kunming to understand the needs, preferences, and expectations of Kunming consumers.

A special consumption behavior of luxury car consumption involves many factors such as consumer psychology, society, and culture. Understanding consumers' purchase intention for luxury cars and their influencing factors is significant for companies to formulate effective marketing strategies, improve market competitiveness, and meet consumer needs. However, current research on luxury car

consumption behavior mainly focuses on developed countries or large cities, and there is a lack of sufficient attention and in-depth discussion on luxury car consumption behavior in small and medium-sized cities, especially in Kunming. Therefore, this study takes Kunming as an example to analyze consumers' purchase intention for luxury cars and its influencing factors from the perspectives of demographic factors and consumers' perceived value in Kunming to formulate better plans for enterprises to increase customers' purchasing intentions.

1.2 Research Questions

1. How do demographic factors influence consumer purchase intention toward luxury cars?

2. How does perceived value influence consumer purchase intention toward luxury cars?

1.3 Research Hypothesis

H1: Differences in demographic characteristics (gender, age, education level, marital status, income level) have different impacts on customer purchase intention.

H2: Perceived value has influenced consumer purchase intention toward luxury cars.

1.4 Research Objective

1. To study the difference in consumer purchase intention toward luxury cars based on demographic factors.

2. To study the difference in consumer purchase intention toward luxury cars based on the perceived value factor.

1.5 Scope of Research Study

1.5.1 Content

The location of this study is Kunming. The population of this study is those interested in purchasing luxury cars in Kunming. Three luxury car companies were selected for research. The independent variables of this study are demographic factors and perceived value, and the dependent variable is purchase intention. This study used a questionnaire to collect data. The questionnaire includes consumers' basic information, evaluation of the perceived value of luxury cars, and purchase intentions.

1.5.2 Area of Study

The Area of study is in Kunming. These three brands selected in Kunming are all internationally renowned luxury car brands with high market share and consumer awareness. They are BMW, Mercedes-Benz and Audi.

1.5.3 Population and Sample

1.5.3.1 Population

The population of this study is those interested in luxury cars in three different shows, including the BMW showroom, Mercedes-Benz showroom, and Audi showroom in Kunming, so the population is unlimited.

1.5.3.2 Sample

Samples were collected from three luxury automobile companies. This study will select 400 samples.

1.5.4 Sampling Method

Multi-stage Sampling Method

Stage 1: The quota sampling method was used to select three luxury car companies.

Stage 2: Apply a fixed sample size of 135 customers per luxury car company.

Stage 3: Convenience Sampling Method.

1.5.5 Duration

The researcher has completed this study over eight months, from June 2023 to February 2024.

1.6 Research Framework

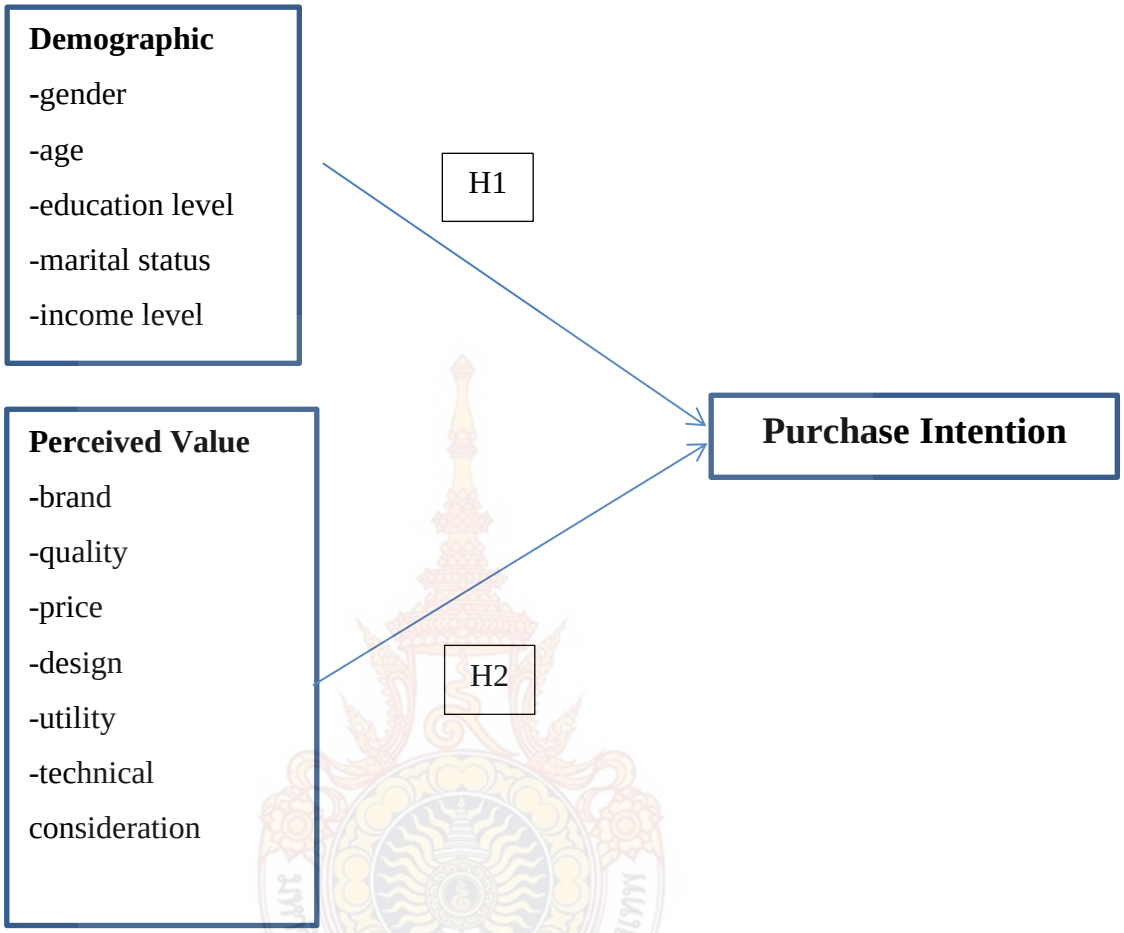

Figure 1. Framework

1.7 Definition of Key Terms

This study involves the following keywords, whose definitions are as follows:

1. **Luxury cars** refer to those with high quality, high price, and high reputation. The researcher chose three luxury car companies: Mercedes-Benz, BMW, and Audi.

2. **Purchase intention** refers to a consumer's tendency or possibility to purchase the Mercedes-Benz, BMW, and Audi.

3. **Demographic factors** refer to the basic characteristics of consumers who want to buy luxury cars, including gender, age, education level, monthly income, and marital status.

4. **Perceived value** refers to consumers' evaluation of the benefits of Mercedes-Benz, BMW, and Audi.

5. **Consumer:** People who are interested in Mercedes-Benz, BMW, and Audi.

1.8 The Benefits of the Research

1. Market Insights and Consumer Behavior Understanding: Researching the factors influencing purchase intentions for luxury cars in Kunming would provide valuable insights into consumers' preferences and behaviors in that particular market. Understanding these factors can aid automotive companies and marketers in tailoring their strategies, product offerings, and marketing campaigns to better align with the preferences and expectations of Kunming's consumers, potentially leading to increased sales and market share.

2. Strategic Marketing and Product Development: Uncovering the key factors influencing the purchase intentions of luxury car consumers in Kunming can guide companies in developing more targeted and effective marketing strategies. By knowing what drives consumer decisions, companies can adapt their marketing approaches, emphasize particular features or benefits, and refine product offerings to meet the Kunming market's demands better. This could result in more efficient resource allocation, improved product positioning, and higher customer satisfaction and loyalty.

3. Competitive Advantage and Industry Growth: A comprehensive understanding of the factors that sway consumer intentions in Kunming's luxury car market can offer companies a competitive edge. Armed with this knowledge, businesses can identify gaps in the market, develop unique selling propositions, and create more compelling value propositions for consumers. This, in turn, could stimulate industry growth by fostering innovation, better product differentiation, and enhanced customer experiences, potentially attracting a larger consumer base and positioning companies ahead of their regional competitors.

CHAPTER II
LITERATURE REVIEW

2.1 Related Theories

Kunmingxingqi Automobile Co Ltd. was established in July 2003. It is an authorized Mercedes-Benz dealership in Kunming. It is located in the beautiful Yunnan Chi National Tourist Resort. It is a comprehensive vehicle sales, parts supply, and maintenance service. It is a company and a comprehensive service center. The company has a clean environment and complete service facilities. The customer rest area has multiple audio-visual, Internet, Weibo, and other functional areas. The customer rest area also provides customer item storage services. The company belongs to Yunnan Province. A first-class maintenance enterprise, the after-sales service department adheres to honest service and aims at user satisfaction, providing professional services to Mercedes-Benz owners in Kundian (Yunnan Daily, 2022).In 2022, Mercedes-Benz Group AG achieved pre-tax profits of 20.5 billion euros, an increase of 28% compared to 2021, by focusing on luxury passenger cars, light commercial vehicles and strict cost control. The amount is 150 billion euros, an increase of 12% compared with 2021 (NetEase Auto, 2022).

Yunnan Chitai Automobile Sales and Service Co., Ltd. Yunnan Chitai Automobile Sales and Service Co., Ltd. is an Audi brand dealer authorized by FAW-Volkswagen Co., Ltd. It leads the car industry in Yunnan Province with its luxurious and majestic appearance and is one of the most popular vehicles in the southwest region. It was ranked as the first choice of dealers and service providers by customers (Baidu Encyclopedia, 2021). The Audi Group will achieve an operating income of 109.9 billion euros in 2022, a year-on-year increase of 10.8%, and a pre-tax profit of 9.2 billion euros, a year-on-year increase of 23.8%. The Audi Group's global car sales in 2022 will be 2.484 million vehicles, a year-on-year increase of 7.1%（NetEase Auto, 2022).

Yunnan Dekai BMW Automotive Technical Service Co., Ltd. officially opened on February 4, 2004, and is affiliated with Sime Darby Group. As the first BMW store in Yunnan, it has been rooted in the auto market for 16 years and has served more than 100,000 BMW customers. It also has expert sheet metal technicians with 16 years

of experience in the industry. While demonstrating superb skills, the concept of warm and meticulous care is the original intention of Yunnan Dekai to work with car owners and friends over the past 16 years （12365 Automobile Network 2021, October 25). The BMW Group will achieve operating income of 109.9 billion euros in 2022, a year-on-year increase of 10.8%; it will achieve pre-tax profits of 9.2 billion euros, a year-on-year increase of 23.8%（Baidu Auto, 2022).

Luxury cars are high-end, expensive, scarce automobile products that symbolize social status and expression of personal identity (Wiedmann et al. 2009). As a special consumer product, the purchase behavior of luxury cars is affected by many factors, including personal, social, and psychological (Husic and Cicic, 2009; Kotler and Keller, 2016). This section will review relevant literature from the following aspects:

There is no unified standard for the definition of luxury cars, and different scholars and institutions have different classification methods. Generally speaking, luxury cars can be defined from the following aspects:

Price: Price: The price of luxury cars is usually higher than that of ordinary cars, reflecting their high quality, high performance, high design level, and high brand awareness. Some studies classify luxury cars based on their price range. For example, Appiah (2018) defines luxury cars as cars that cost more than $30,000.

Brand: Luxury car brands usually have a long history, unique culture, excellent reputation, and strong influence, and they can bring social recognition, social status, social influence, and other values to consumers. Some studies classify luxury cars according to their brands. For example, Shukla (2012) defines cars from brands such as BMW, Mercedes-Benz, Audi, Porsche, and Land Rover as luxury cars.

For example, the study by Lee, Hansen, and Lee (2018) examined the impact of brand personality self-congruity on brand engagement and purchase intention: the moderating role of self-esteem. It was found that brand personality showed a significant positive impact on brand engagement and purchase intention. Brand personality has a conditional indirect effect on purchase intention through brand involvement based on self-esteem.

2.1.1 Demographic

Demographic factors refer to the basic characteristics of consumers, such as age, gender, education level, and income level. Demographic factors are important factors that affect consumer behavior and purchase intention. They can reflect differences in consumers' life stages, abilities, and preferences. This section will review relevant literature from the following aspects:

Age: Age is an important indicator of consumer demand and changes in purchasing power. Consumers of different age groups also have different needs and preferences for luxury cars. Generally speaking, young consumers are more inclined to buy luxury cars with fashion, personality, and innovation to meet their needs for self-expression and social recognition; middle-aged consumers are more inclined to buy luxury cars with stability, safety, and comfort. , to meet the needs of self-realization and social status; older consumers are more inclined to buy luxury cars with value preservation, classiness, and quality to meet the needs of self-respect and life enjoyment (Sarwono and Frisdiantara, 2016).

Gender: Gender is an important factor in consumer psychology and behavioral differences. Consumers of different genders have different needs and preferences for luxury cars. Generally speaking, male consumers are more inclined to buy luxury cars with power, handling, and technology to reflect their ability and sense of control; female consumers are more inclined to buy luxury cars with beauty, design, and details to reflect themselves—taste and personality (Sarwono and Frisdiantara, 2016).

Educational level: Regarding the nature of purchase behavior, women were more positively disposed to impulse purchasing luxury goods than men. More educated people generally indicated a greater tendency towards rational than impulse buying decisions (Nwankwo, Hamelin,& Khaled 2014).

Marital Status: Bhat et al. (2021). Study Evaluating the Influence of Consumer Demographics on Online Purchase Intention. The results depict a significant difference in the perception of consumers across various groups of gender, age, marital status, and family structures towards online purchase intention. Young male consumers who are single were found to have a higher score for e-shopping intention than old, female-married consumers.

Income level: Income level is an important indicator of consumers' economic status and purchasing power. Consumers with different income levels have different needs and preferences for luxury cars. Generally speaking, consumers with higher income levels are more inclined to buy luxury cars with quality, functionality, and innovation to meet their high-end needs and aesthetic standards; consumers with lower income levels are more likely to buy luxury cars with promotions and discounts and discounted luxury cars to meet their own affordable needs and psychological satisfaction (Sarwono and Frisdiantara, 2016).

To sum up, demographic factors significantly impact the purchase intention of luxury cars, and there are obvious differences in the needs and preferences of consumers of different types and levels for luxury cars. This study will take consumers in Kunming as the object to explore the degree and direction of the impact of demographic factors on luxury car purchase intention. Demographic factors in this study include gender, age, education level, income level, and marital status

2.1.2 Perceived Value

Perceived value refers to consumers' feelings about the value of a product or service based on their subjective evaluation of the benefits it can provide and the price it requires. Perceived value is one of the most direct and important factors affecting consumer behavior and purchase intention. It determines whether consumers think a product or service is worth purchasing. This section will review relevant literature from the following aspects.

Factors Influencing Car Purchasing Intention: A Study among Vietnamese Consumers. This study explored factors influencing the intention of Vietnamese consumers to buy a car. This quantitative study administered questionnaire surveys to 242 Ho Chi Minh City, Vietnam respondents. The linear regression analysis revealed five factors influencing the car purchasing intention: brand, perceived quality, technology, performance, and customers' purchasing capacity (i.e., value and income). As the strongest contribution to the car purchasing intention, the car brand contributed the most to customers' decision-making process. (Phuong, Anh & Ab Rashid, 2020).

The composition of perceived value: Perceived value can be divided into different dimensions, such as functional value, emotional value, social value, and conditional value. Functional value refers to consumers' evaluation of the practicality,

efficiency, and quality of a product or service; emotional value refers to consumers' evaluation of the pleasure, beauty, and emotional sustenance of a product or service; social value refers to consumption pattern is not only a kind of show-off to the society but it is also a symbol of a person's identity and power and action consumers take to seek social approval. Contingent value refers to consumers' evaluation of the convenience, availability, and risk of a product or service (Sweeney and Soutar, 2001; Wiedmann et al., 2009; Choo et al., 2012; Liu et al., 2014; Sarwono and Frisdiantara, 2016).

A rhombus model refers to a rhombus-shaped research model consisting of three predictor variables: brand image, perceived price, and perceived quality, which are used to predict purchase intention. This study aims to predict a person's purchase intention relating to Low-Cost Green Cars (LCGC). In Indonesia, this type of passenger vehicle targets lower-income consumers and those concerned with the environment. Data were analyzed using exploratory factor analysis and structural equation modeling. Findings: The study found that in the case of Toyota Agya, brand image significantly impacts perceived price and perceived quality. Also, the perceived price has a significant impact on purchase intention (Petravičiūtė, Šeinauskienė, Rūtelionė, & Krukowski, 2021).

Homburg et al. (2015) stated that product design was important in product use and operation procedure communication with consumers. It was the mutual arrangement and match of product configuration and elements to enhance products' functional and economic pleasure. Accordingly, the idea of human-factors design is introduced to product design to emphasize the interaction between people and products and is a critical factor in consumers" operation and use.

This study aims to pinpoint the success criteria for the product launch stage in connection to consumers' purchase intentions in Malaysia's automobile sector. The research will concentrate on the activities that take place during the stage of product development, examining the pertinent preintroduction variables that impact the outcome. The findings demonstrated that six of the seven independent factors significantly impacted consumers' intentions to buy products when they were first introduced to the Malaysian automobile market. These included cost of ownership, performance, features, specifications, design, and affordability. Competitive pricing

was seen to be irrelevant. The results verified that the success of the product launch was determined by two factors: the product and the price (CheeSeng & Husin, 2015).

Sharp (2012) found that product utility become increasingly important in business along with the development of the relationship between demand and supply in the market. This relationship is dynamic because the power of each side changes along with the development of the business world. The fast-developing business world not only fostered companies in earning incomes but also trained consumers to gain more benefits in their spending. Consumers became more rational and smarter. Today, consumers are more concerned about product utility rather than just quality. Companies need to identify product utility from the customers" point of view because customers hold more power in today's market.

Measurement of perceived value: There are many methods of measuring perceived value, such as single measurement method, multiple measurement method, and comparative measurement method. The single-item measurement method uses a single indicator to measure consumers' overall perceived value of a product or service, such as overall satisfaction and repurchase intention; the multiple-item measurement method uses multiple indicators to measure consumers' overall perceived value, alternatively, the perceived value of various dimensions of the service, such as functional value, emotional value, social value, and conditional value. The comparative measurement method uses a reference object to measure the consumer's perceived value of the product or service relative to the reference object, such as relative advantages relative to price (Wiedmann et al., 2009).

Phyo (2019). Analysis and Research on Customer Perceived Value and Purchasing Behavior of Yangon YOMA Car Sharing Service Customer perceived value is the expected benefit of a product or service from the consumer's perspective. It believes that the success of a product or service largely depends on whether customers believe it can meet their needs. Customer perceived value is an evaluation of the value customers perceive gained by purchasing a product. Customer perceived value is viewed in terms of the satisfaction or needs a product or service can provide potential customers. The current study explains the creation of PERVAL, a 19-item measure that can be used to evaluate consumers' opinions of the worth of a consumer-durable good at the brand level. The measurement was created for a retail environment. The measure

aims to identify the consumption ideals influencing consumers' attitudes and behaviors when making retail purchases. There were discovered to be four unique value dimensions: emotional, social, quality, performance, and pricing, value for money. The scale's validity and reliability were evaluated using exploratory and confirmatory analyses before purchase. Each of the four value dimensions greatly aided the explanation of attitudes and behavior. The scale was also evaluated after the sale and was discovered to be equally valid and dependable.

Previous studies have demonstrated a high correlation between purchase intention and brand personality. For instance, the study by Lee, Hansen, and Lee (2018) used 301 Facebook users who clicked "like" for a brand in Atlanta, Georgia, to investigate the impact of brand personality self-congruity on brand engagement and purchase intention: the moderating function of self-esteem on Facebook. The findings indicated that brand personality significantly and favorably influenced purchase intention and brand engagement 8. Depending on the degree of self-esteem, brand personality demonstrated a conditional indirect effect on purchase intention through brand engagement.

Perceived value is among the most direct and important factors affecting luxury car purchase intention. Different types and levels of consumers also have different perceived values of luxury cars. This study will take consumers in Kunming as the object to explore the degree and direction of the impact of perceived value on luxury car purchase intention. In this study, the researcher will choose the perceived value as the variables, which include brand, quality, price, design, utility, and technical consideration.

2.1.3 Consumer Purchase Intention

Consumer purchase intention refers to the consumer's tendency or possibility to purchase a certain product or service in a specific situation. Consumer purchase intention is an important and hot topic in consumer behavior research, and many scholars have discussed and analyzed it from different angles and levels. This section will introduce the following representative theories:

Huang et al. (2019) Research on the Development of Electric Vehicles in Beijing: Analysis of Consumer Purchase Intention The research results show that attitude, perceived behavioral control, cognitive state, product perception, and

monetary incentive policy measures have a significant positive impact on Beijing consumers' purchase intention of electric vehicles. However, subjective norms and non-monetary incentive policy measures do not significantly impact purchase intention. In addition, multi-group SEM analysis results show significant differences in demographic variables (gender, age, education level, income, car ownership) on the path of consumer purchase intention (Huang et al., 2019).

The main purpose of this study is to understand how social media strongly impacts the car-related factors consumers consider when formulating car purchase intentions. Automakers and marketing retailers can use these findings to develop strategies and innovative marketing techniques focusing on consumer needs. Automakers can make social media platforms more engaging and focused on the information consumers want (Kiran & Vasantha, 2016).

2.2 Related Studies

2.2.1 Demographic factors affect consumer behavior and purchase intention, and many scholars have conducted empirical research on them. For example, Dubois and Duquesne (1993) surveyed luxury car consumers in France, the United States, Japan, and the United Kingdom. They found that age, gender, education, and income level significantly impact the purchase of luxury cars. Phau and Prendergast (2000) surveyed luxury car consumers in Australia and found that age, gender, and income level significantly impact the purchase of luxury cars. Wong and Ahuvia (1998) surveyed luxury car consumers in mainland China, Hong Kong, and Singapore and found that age, gender, education, and income significantly impact purchasing luxury goods.

2.2.2 Nerurkar et al. (2023) explored the impact of demographic factors on consumer intention to buy electric vehicles in Malaysia. The study used a questionnaire survey of 384 respondents in Kuala Lumpur and Selangor in 2016 and a multiple linear regression model to analyze the data. The study found that age, education, income, and environmental awareness had significant positive effects on consumer intention to buy electric vehicles, while gender had no significant effect. The study implied that marketers should consider these factors when promoting electric vehicles to consumers.

2.2.3 Buabban et al. (2017) Investigation and Analysis of Factors Affecting Automobile Resilience: Comparison between Toyota and other brands in Thailand. The study shows that the target research variable, automobile consumption, does not depend only on income. There are factors such as popularity, promotions, and the continuous launch of new cars. People may be more inclined to appreciate newly released cars.

2.2.4 Regarding the purchase intention of luxury cars, many scholars have also conducted empirical research on demographic factors. For example, Choo et al. (2012) surveyed luxury car consumers in South Korea. They found that age, gender, education, and income level significantly impact the purchase intention of luxury cars. Liu et al. (2014) surveyed luxury car consumers in mainland China and found that age, gender, education, and income level significantly impact the purchase intention of luxury cars. Sarwono and Frisdiantara (2016) surveyed luxury car consumers in Indonesia and found that age, gender, education, and income level significantly impact the purchase intention of luxury cars.

2.2.5 Sarwono et al.(2016) Educational level: Educational level is an important indicator of consumer knowledge and values. Consumers with different educational levels have different needs and preferences for luxury cars. Generally speaking, consumers with higher education are more inclined to buy luxury cars with culture, history, and heritage to reflect their self-cultivation and quality; consumers with lower education are more inclined to buy luxury cars with price, reputation, and status, luxury cars to reflect their wealth and success.

2.2.6 Sarwono et al. (2016) Income level: Income level is an important indicator of consumers' economic status and purchasing power. Consumers with different income levels have different needs and preferences for luxury cars. Generally speaking, consumers with higher income levels are more inclined to buy luxury cars with quality, functionality, and innovation to meet their high-end needs and aesthetic standards; consumers with lower income levels are more likely to buy luxury cars with promotions and discounts and discounted luxury cars to meet their own affordable needs and psychological satisfaction.

2.2.7 Price is one of the dominant factors determining business success. A suitable pricing strategy can increase the sales volume to a considerable level. On the other hand, an improper pricing strategy may decrease the sale volume, lead to

problems, and result in problems in business (Wasserman, 2010). Thus, Price plays an important role in the marketing mix, so the company should concentrate more on pricing strategy. The pricing strategy of an organization affects overall company strategy, including manufacturing, distribution, and sales promotion strategies. From the companies' point of view, a company should use price references to compare its selling prices with internal and external price references (Hsu and Pham, 2015). From a consumer perspective, price is predominant in consumers' purchasing decisions. Fixing a suitable price for goods and services is an essential and difficult task. Hence, companies should focus more on it (Wasserman, 2010). Price is one of the 4Ps of the marketing mix and is the only factor that makes earnings, thus paving the way for product success (Al-Salamin and Al-Hassan, 2016). Therefore, a single pricing strategy will not suit all products. For this reason, companies should draft different pricing policies for each product by considering factors such as customers, rivals, quality, and overheads (Wasserman, 2010). Since price is the function of the capability of selling, it helps companies generate more income and cover the costs associated with manufacturing. Therefore, manufacturers could understand customers' opinions towards the products and the price level. Thus, price plays an important role in creating perceived value in the customers' minds.

2.2.8 Salehzadeh et al. (2017) examined how brand attitude and perceived value influence purchase intention toward international luxury brands. We make assumptions about and test the relationship between brand attitude, perceived value, and purchase intention based on research on consumer behavior. The association between the research variables was tested using a structural equation model test with likelihood estimation. The structural model's empirical findings indicate that brand attitude positively impacts perceived value in all three dimensions−social, personal, and functional. Moreover, the propensity to purchase was directly influenced by perceived values. This study examined an integrated model of brand attitude, perceived value, and purchase intention in Iran's luxury market.

2.2.9 Gokhale et al. (2020) studied the factors affecting luxury car purchase decisions and consumer behavior, identified the main factors leading to changes in the purchase behavior of the Indian middle class, highlighted the key influencing factors affecting the purchase decisions of the Indian middle class, and found out the factors

affecting the purchase decisions of the Indian middle class. The major factor in purchasing decisions is why the Indian middle class migrates from one manufacturer to another. This study shows that price, style, social parameters, fuel economy, performance, safety, space, and brand are the most critical luxury car purchase intention predictors.

2.2.10 Savonno et al. (2016) The relationship between perceived value and purchase intention: There is a positive relationship between perceived value and purchase intention. The higher the perceived value, the stronger the purchase intention. This relationship has also been verified in the luxury car field. Many studies have found that functional, emotional, and social values significantly impact the intention to purchase luxury cars.

2.2.11 Evgeniy et al. (2019) Studied the effect of eWom on purchase intention for Korean-brand cars in Russia: The mediating role of brand image and perceived quality. In this paper, 211 Russian respondents were randomly selected. Descriptive, factor, and reliability analyses were conducted using SPSS version 22.0. The results found that regarding Russian consumers' perception, eWOM credibility, quality, and quantity for Korean-brand cars substantially impact purchase intention. The mediation effects of brand image, as well as perceived quality, were also supported by analysis.

2.2.12 Naeem et al. (2020) A study on product brand loyalty and purchasing decisions. This study conducts a comparative analysis of the target research variables of two well-known car brands, the Honda Civic and Toyota Corolla Xli, and the various impacts of product brand loyalty on car consumers' purchase decisions. Variables relevant to this study include product brand loyalty, perceived quality, price, and purchasing decisions. Research surveys show a positive relationship between product brand loyalty, perceived product quality, price, and purchasing decisions.

2.2.13 Evgeniy et al. (2019) studied the impact of electronic word-of-mouth on the purchase intention of Korean brand cars in Russia: the mediating role of brand image and perceived quality. Research purpose This article attempts to determine the impact of electronic word-of-mouth on the purchase intention of Korean brand cars in the context of Russian consumers, comprehensively considering the credibility, quality, and quantity of electronic word-of-mouth and considering the mediating role of brand

image and perceived quality. The results show that regarding Russian consumers' perception, the Korean brand E-WOM's credibility, car quality, and quantity all have significant effects.

2.2.14 Rizka et al.(2020) Study the effect of luxury brand, brand image, and product quality on purchase intention. The research objective was to explain the effect of luxury brands, brand image, and product quality on consumer purchase intentions of products. The results show that Luxury brands, brand image, and product quality positively and significantly impact purchase intention. This shows that the stronger consumers' perception of the influence of luxury brands, the more Image and product quality will increase purchase intention.

2.2.15 De Silva et al. (2020) Examining the factors influencing consumer attitudes towards global luxury car brands. Many scholars worldwide have researched consumer attitudes toward global luxury car brands. This article discusses the factors influencing consumer attitudes towards global luxury car brands. This study proposes a new model to identify factors influencing consumer attitudes toward global luxury car brands. The findings show that perceived luxury consumption, overall life value, self-identity, experiential value, brand awareness, and brand liking positively impact consumers' attitudes toward luxury goods. Furthermore, the findings indicate that it is important to understand the factors influencing consumer attitudes when developing marketing promotional messages.

2.2.16 Naumova et al. (2020) Comprehensive study of consumers' wants and needs and their social and cultural behavioral patterns is crucial for modern luxury goods companies to succeed in their marketing activities. In the face of globalization, fluctuations in financial markets, and rapid growth in digital markets, luxury marketing should focus on the consumer's identity, how he/she views himself/herself, and how society views him/her. The summary of scientific research results also confirms this paper. This suggests that the success of luxury goods producers largely depends on cultural values.

2.2.17 Dhanabalan et al. (2018）Studied factors influencing consumers' car purchasing decisions in the Indian automobile industry. The study shows that brand, price, quality, design, practicality, and technological considerations positively affect the target research variable customer perceived value. Moreover, all these factors force

customers to choose and buy cars. The results showed that perceived valued brand, price, quality, design, practicality, and technological considerations influence purchase decisions.

CHAPTER III
RESEARCH METHODOLOGY

3.1 Research Design

The independent variables of this study are demographic factors and perceived value, and the dependent variable is purchase intention. This study uses a questionnaire survey method to collect data. The questionnaire includes basic information about consumers, an evaluation of the perceived value of luxury cars, and a description of purchase intention.

This study used a questionnaire survey method to survey Kunming City. The survey targets consumers in Kunming who are interested in purchasing luxury cars.

3.2Research Population and Samples

3.2.1 Population

The people in this study are mainly interested in the three brands: Mercedes-Benz, BMW, and Audi. Mercedes-Benz, BMW, and Audi have large and diverse customer bases in China. This study takes the population of brand exhibition halls in Kunming City, Yunnan Province, as the research object, including different genders, ages, educational backgrounds, marital status, and monthly income. The reasons why the researchers chose these three companies are: 1. These three companies have great influence and can be called luxury brand cars in Kunming, China. 2. It is more convenient for these three companies to collect questionnaires. 3. These three companies have many exhibition halls in Kunming, China, which can be easily inspected. 4. There are many people interested in these three brands in Kunming.

3.2.2 Samples

The Yamane Sampling Sample Size Scale is a common statistical method used to determine the sample size required in research (Samar, 2017). According to the Taro Yamane Sample Size Table, the population is unlimited, the probability of error is 0.05 or 5 % (at 95 % confidence level), and the sample size is at least 405.

The researchers prepared to distribute 405 questionnaires because there may be certain errors in the distribution process, and some questionnaires could not be returned. To ensure fairness, we distributed these questionnaires equally to three luxury car companies, each with 135 questionnaires.

Table 3.1 Brand and Sample

Brand	**Sample**
Mercedes-Benz	135
BMW	135
Audi	135

3.2.3 Sampling Methods

Multi-stage Sampling Method

Stage 1: The quota sampling method was used to select three luxury car companies.

Stage 2: Apply a fixed sample size of 135 customers per luxury car company.

Stage 3: Convenience Sampling Method.

First, the proportion of each company in the sample will be determined based on the size of the luxury car company and the number of customers. Since the number of customers of each company is relatively similar, the quota sampling method is used to select these three companies. Secondly, a fixed sample size of 135 customers from each company was used to determine the appropriate sample size for each luxury car company. Finally, a convenience sampling method was introduced to collect data.

3.3 Data Collection

1. Place the QR code with the questionnaire link at the sales service front desk. 2. Customers can scan the QR code to complete the questionnaire online.

3.4 Research Instrument

Part 1: Demographic

Respondents in this section were asked questions about the population, including gender, age, education, and income level. The researcher used a closed-ended questionnaire.

Part 2: Perceived value

Respondents in this section were asked about perceived value, which includes brand, quality, price, design, utility, and technology considerations. There were 3 questions for each independent variable, and a Likert scale was used for the questionnaire.

Part 3: Purchase intention

There are 3 questions in this section, and the Likert scale was used for the questionnaire.

3.5 Content Validity and Reliability

3.5.1. Content Validity

IOC (Item Objective Congruence Index) content validity. To address the issues with the research, three specialists in developing research tools assessed the questions' content and measurement. These specialists evaluated the surveys in accordance with predetermined standards.

-1 This query does not relate to the measurement objective's subject matter.

0 It is unclear whether the content of the measuring objective and this query are compatible.

+1 This inquiry is in line with the subject matter of the measuring objective.

All questions with an IOC index of at least 0.5 will be chosen. Any question that does not meet the 0.5 threshold but is deemed important to provide the appropriate measurement will be amended per experts' advice.

Table 3.2 IOC on Likert Scale

	IOC on Luxury Car Perceived Value	Expert 1	Expert 2	Expert 3	IOC Index
Brand	6. The luxury brand car influences your purchase intention	+1	+1	+1	1
	7. The luxury brand car makes me feel good	+1	+1	+1	1
	8. Own a luxury brand car to show your high status in society	+1	+1	+1	1
Quality	9. Quality affects your purchase of luxury cars	+1	+1	+1	1
	10. You trust the quality of luxury cars	+1	+1	+1	1
	11. The quality of luxury cars makes you feel safe during driving.	+1	+1	+1	1
Price	12. The price will change your purchase intention	+1	+1	+1	1
	13. The car price is reasonable	+1	+1	+1	1
	14. The price of a car reflects its quality and performance	+1	+1	+1	1
Design	15. Design influences your purchase of luxury cars	+1	+1	+1	1
	16. You care about the exterior design of your car	+1	+1	+1	1
	17. Car interiors are important	+1	+1	+1	1
Utility	18. The utility will influence your purchase of a luxury car	+1	+1	+1	1
	19. The utility performance is stable	+1	+1	+1	1
	20. The utility of apps is important	+1	+1	+1	1

Technical Consideration	21. Technical consideration will influence your purchase of luxury cars	+1	+1	+1	1
	22. The automotive technical consideration can promote development and innovation in the automotive industry	+1	+1	+1	1
	23. You are interested in automotive technical consider	+1	+1	+1	1
Purchase Intention	24. You intend to purchase a luxury car	+1	+1	+1	1
	25. You are willing to purchase a luxury car	+1	+1	+1	1
	26. You have a high intention to purchase a luxury car	+1	+1	+1	1

From Table 3.1, Three specialists with Experts evaluated the questions' contents and measuring methods to answer and resolve the research questions. The IOC index of all questions is more than 0.5.

3.5.2. Reliability

With a sample of 30 suitable volunteers, the questionnaire will be pre-tested to evaluate the validity of the tools utilized in this study. Using Cronbach's alpha coefficient, this pre-test will assess the participants' understanding of the questions and internal consistency. Several 0.7 or above are acceptable for the questionnaire's internal consistency, indicating that the tool can be utilized to gather information for more research.

Table 3.3 Reliability Analysis of Questionnaires

		Corrected Item-Total Correlation	**Cronbach's Alpha if Item Deleted**	**Cronbach's Alpha Based on Standardized Items**
Reliability Analysis on Perceived Value				
Brand	Q6	0.638	0.5	0.719
	Q7	0.566	0.596	
	Q8	0.425	0.756	
Quality	Q9	0.762	0.781	0.86
	Q10	0.645	0.884	
	Q11	0.811	0.734	
Price	Q12	0.465	0.835	0.769
	Q13	0.677	0.603	
	Q14	0.744	0.52	
Design	Q15	0.5	0.713	0.737
	Q16	0.557	0.658	
	Q17	0.629	0.566	
Utility	Q18	0.655	0.817	0.837
	Q19	0.757	0.716	
	Q20	0.698	0.773	
Technical consideration	Q21	0.702	0.737	0.825
	Q22	0.732	0.705	
	Q23	0.611	0.827	
TOTAL ITEMS OF PERCEIVED VALUE			0.704	
		Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted	Cronbach's Alpha Based on Standardized Items
Reliability Analysis on Purchase Intention				
Purchase Intention	Q24	0.579	0.628	0.743
	Q25	0.51	0.723	
	Q26	0.599	0.585	
TOTAL				0.73

From Table 3.2, the result shows that the values for perceived value and purchase intention are 0.704 and 0.743. Total value is 0.730.

3.6 Data Analysis

3.6.1 Descriptive Statistics

We used descriptive statistics to analyze respondent demographics by using frequency and percentage. The mean and standard deviation are applied to the perceived value, including brand, quality, price, design, utility, technical considerations, and customers' purchase intention.

Evaluative criteria for the question items with positive meaning, the interval for breaking the range in measuring each is calculated by

$$\text{N (Width of the range)} = \frac{\text{Maximum} - \text{Minimum}}{\text{Level}}$$

$$= \frac{5-1}{5}$$

$$= 0.8$$

The researcher analyzed the opinion level of luxury car customers in Kunming by calculating the average score within the following range (Kooharatanachai, 1999)

4.21 – 5.00 are considered as strongly agree

3.41 – 4.20 are considered as agree

2.61 – 3.40 are considered as neutral

1.81 – 2.60 are considered as disagree

1.00 – 1.80 are considered as strongly disagree

3.6.2 Inferential Statistics

At a statistical significance level of 0.05, inferential statistics are used to test the hypotheses. Under the following hypotheses, the analysis will assess the relationship between a dependent variable and independent variables:

H1: There are significant differences in consumer purchase intention toward luxury car-based demographic factors.

The hypothesis is tested using an Independent Sample t-test (Gender), and a One-way ANOVA (Age, Education Level, Gender, Marital Status, and Income Level) is applied to test the hypothesis.

H2: Perceived value has influenced consumer purchase intention toward luxury cars. (Multiple Linear Regression Analysis is used to test the hypothesis)

CHAPTER IV
ANALYSIS RESULT

The research on the ***Factor Influence on Consumer Purchase Intention Toward Luxury Cars in Kunming*** used statistical analysis to analyze 405 samples from three luxury car companies. The researcher focuses on the influence of demographics and perceived value on the purchase intention of luxury cars in Kunming. The survey targets Kunming consumers who are interested in purchasing luxury cars. The independent variables of this study are demographic factors and perceived value, and the dependent variable is purchase intention.

4.1 Research Findings

This part is divided into 2 parts according to the research objectives.

Part I: The Analysis Results of Respondents' Demographic Factors Data

Part II: The Analysis Results of the Range of Judgment on Perceived Value Factors and Purchase Intention

Part I: The Analysis Results of Respondents' Demographic Factors Data

Part I of the research findings presents the analysis of respondents' demographic factors data based on a sample of 405 consumers interested in purchasing luxury cars in Kunming. This section highlights key demographic variables such as gender, age, education level, marital status, and income levels, showing how these factors are distributed among the respondents. The demographic data helps provide a clearer understanding of the target audience and their characteristics, which are then used to analyze the influence of these factors on their purchase intention for luxury cars. These demographic insights lay the foundation for examining the relationships between demographics, perceived value, and consumer purchase intention.

Table 4.1. Frequency and Percentage of the Respondents

		Frequency	Percent
Gender	Male	192	47.4
	Female	213	52.6
Age	21-30 years old	154	38
	31-40 years old	152	37.5
	＞40 years old	99	24.5
Education Level	Less than Bachelor	143	35.3
	Bachelor	208	51.4
	Higher than Bachelor	54	13.3
Marital Status	Married	203	50.1
	Unmarried	202	49.9
Income Level	Less than 6,000	74	18.3
	6,000 - 12,000	96	23.7
	12,000 - 16,000	95	23.4
	More than 16,000	140	34.6
Total		405	100

From Table 4.1, the description of consumers considering buying luxury cars is as follows: Of the 405 respondents, 192 (47.4%) are male and 213 (52.6%) are female. Regarding age, 38% of the respondents were between 21 and 30. The proportion of respondents over 44 is the lowest, 24.4%. Of all the respondents, 51.4% had a bachelor's degree, while just 13% had a higher education than a bachelor's degree. Two hundred two were unmarried (49.9%), and 203 were married (50.1%) in terms of marital status. Less than 6,000 yuan accounts for 18.3% of respondents' monthly income, while more than 16,000 yuan accounts for 34.6%.

Part II: The Analysis Results of the Range of Judgment on Perceived Value Factors and Purchase Intention

Table 4.2 The Descriptive Statistics of Perceived Value

Level of Opinion (percent)									
	Strongly disagree	Disagree	Neutral	Agree	Strongly Agree	Mean	SD	Meaning	Ranking
Brand	3	5.9	25.7	45.9	19.5	3.73	0.941	Agree	4
Quality	3.5	10.4	25.2	40	21	3.65	1.032	Agree	5
Price	2.7	4	16	43.2	34.1	4.02	0.952	Agree	1
Design	2.7	4.2	22.7	44.2	26.2	3.87	0.941	Agree	3
Utility	5.4	11.4	19.3	45.2	18.8	3.60	1.082	Agree	6
Technical Consideration	2	4.4	19	43.7	30.9	3.97	0.925	Agree	2
Perceived Value	**0**	**4.2**	**14.6**	**73.8**	**7.4**	**3.84**	**0.603**	**Agree**	

Table 4.2 describes the descriptive statistics of the study's independent variables: perceived values of brand, quality, price, design, utility, and technical consideration. Each variable is measured on a Likert scale ranging from 1 - 5, with the highest score indicating an excellent level of engagement or presence. The analysis results show that the brand value is 3.73, representing the level of agreement customers have with the content's brand value. For quality, the mean value is 3.65, representing customers' satisfaction with the content's quality value. For price, the mean value is 4.02, which represents the level of agreement customers have with the content's quality value. For design, the mean value is 3.87, representing the level of agreement customers have with the content's design value. For utility, the mean value is 3.60, representing the level of agreement that customers have with the content's utility value. For technical consideration, the mean value is 3.97, representing the level of agreement that customers have with the content's technical consideration value. Moreover, the total perceived value's mean value shows the average is 3.84, representing the level of agreement that customers have with the content's perceived value.

Table 4.3 The Descriptive Statistics of Purchase Intention

	Level of Opinion (percent)								
	Strongly disagree	Disagree	Neutral	Agree	Strongly Agree	Mean	SD	Meaning	Ranking
Purchase Intention	**3**	**5.7**	**25.4**	**44.7**	**21.2**	**3.76**	**0.950**	**Agree**	

For Table 4.3, purchase intention factors, the analysis results show that the mean value of purchase intention is 3.76, which represents the level of agreement that customers have with the content's purchase intention.

4.2 Hypothesis Testing Result

Inferential statistics were employed to test the independence hypotheses with a statistical significance level of 0.05. The analysis evaluated the influence of the dependent variable on dependent variables under the following hypotheses.

Part I: Differences in demographic characteristics (gender, age, education level, marital status, income level) have different impacts on customer purchase intention.

Part II: Perceived value has influenced consumer purchase intention toward luxury cars.

Part I: The difference in purchase intention toward luxury cars based on demographic factors

Table 4.4 The Analysis Results on Gender Differences' Influence on Purchase Intention

	Gender	**N**	**Mean**	**Std. Deviation**	**t-value**	**df**	**Sig**
	Male	192	3.65	1.002			
Purchase Intention	Female	213	3.85	0.893	-2.11	403	0.04*

From Table 4.4, the analysis of gender differences' influence on repurchase intention used a T-test significance level of 0.05. This study found that gender (t(403) = -2.11, p = 0.04) significantly differed in purchase intention.

Table 4.5 The Analysis Results on Age Differences' Influence on Purchase Intention

Age					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	0.021	2	0.011	0.012	.988
Within Groups	364.779	402	0.907		
Total	364.8	404			

From Table 4.5, the analysis results on age differences' influence on purchase intention used a One-way ANOVA significance level of 0.05. This study found that age (F = 0.012, p = 0.988) did not significantly affect purchase intention.

Table 4.6 The Analysis Results on Education Differences' Influence on Purchase Intention

Education Level					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	10.699	2	5.349	6.073	.003*
Within Groups	354.101	402	0.881		
Total	364.8	404			

The analysis results from Table 4.6 on education differences' influence on repurchase intention were used in a one-way ANOVA with a significance level of 0.05. This study found that education factors generate differences in purchase intention.

Table 4.7. Differences in Educational Multiple Comparisons

Mean Difference (I-J)				
Education Level	Group J			
	X	Less than Bachelor	Bachelor	Higher than Bachelor
Group I		3.66	3.90	3.44
Less than Bachelor	3.66		-.23470*	0.21989
		-	(0.022)	0.143
Bachelor	3.90			.45459*
			-	(0.002)
Higher than Bachelor	3.44			
				-
*** The mean difference is significant at the 0.05 level.**				
Dependent Variable: Repurchase Intention				

From Table 4.7, the results show that respondents with an education level of a bachelor's have a higher mean than those with an education level of less than a bachelor's and higher than a bachelor with significant values at 0.02 and 0.022. The respondents with an education level of less than a bachelor's have a higher mean than those with an education level of higher than a bachelor's.

Table 4.8. The Analysis Results on Marital Status Difference Influence on Purchase Intention

	Marital Status	**N**	**Mean**	**Std. Deviation**	**t-value**	**df**	**Sig.**
	Married	203	3.6995	0.92455			
Purchase Intention	Unmarried	202	3.8119	0.97443	-1.191	403	0.738

The analysis results on marital status differences' influence on repurchase intention were used from Table 4.8, and a T-test significance level of 0.05 was used. This study found that marital status (t(403) = -1.191, p = 0.738) had no significant difference in purchase intention.

Table 4.9. The Analysis Results on Income Level Differences' Influence on Purchase Intention

Income Level					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	13.108	3	4.369	4.982	0.002*
Within Groups	351.692	401	0.877		
Total	364.8	404			

From Table 4.9, the analysis of education differences' influence on repurchase intention was conducted using a one-way ANOVA with a significance level of 0.05. This study found that monthly income factors generate differences in purchase intention.

Table 4.10. Difference in Income Level Multiple Comparisons

Mean Difference (I-J)					
Income Level	Group J				
	$\overline{X}$	Less than 6,000	6,000 - 12,000	12,000 - 16,000	More than 16,000
Group I		3.47	3.61	3.86	3.93
Less than 6,000	3.47		-0.14161	-.39018*	-.45560*
		-	0.329	(0.008)	(0.001)
6,000 - 12,000	3.61			-0.24857	-.31399*
			-	0.067	(0.012)
12,000 - 16,000	3.86				-0.06541
				-	0.6
More than 16,000	3.93				
					-
*** The mean difference is significant at the 0.05 level.**					
Dependent Variable: Purchase Intention					

From Table 4.10, the results show respondents with income less than 6,000 have a lower mean than respondents with income of 12,000 - 16,000 and more than 16,000 with significance at 0.008 and 0.001. Respondents with incomes of 6,000 - 12,000 have a lower mean than those of more than 16,000, with significant differences at 0.012. This means that the respondents with incomes of more than 16,000 value purchase intention are more highly valued than 12,000 - 16,000, with statistical significance.

Part II: Perceived value has influenced consumer purchase intention toward luxury cars.

In Hypothesis 2, Y = purchase intention, X_1, X_2, X_3, X_4, X_5, and X_6 are Brand, Quality, Price, Design, Utility, and Technical Considerations.

Table 4.11 Summarize the Model of Perceived Value's Influence on Purchase Intention
f. Predictors: (Constant), technical consideration, quality, utility, price, design, brand

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
	.554[f]	0.307	0.296	0.79706

From table 4.11, the analysis results show that perceived value influences purchase intention with multiple correlation (R)= 0.554. The ability to predict the analytical equation is 29.6% at the statistically significant level of 0.05.

Table 4.12. Multiple Linear Regression on Purchase Intention Factors

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	0.355	0.262		1.353	0.177
Technical Consideration (X_6)	0.193	0.047	0.188	4.118	0*
Quality (X_2)	0.159	0.041	0.173	3.889	0*
Utility (X_5)	0.144	0.039	0.164	3.665	0*
Price (X_3)	0.142	0.046	0.142	3.05	0.002*
Brand (X_1)	0.127	0.046	0.126	2.783	0.006*
Design (X_4)	0.127	0.045	0.125	2.792	0.005*
a: Dependent Variable: Purchase Intention					

Equation 1:

$$Y = 0.355 + 0.193X_6 + 0.159X_2 + 0.144X_5 + 0.142X_3 + 0.127X_1 + 0.127X_4$$
$$(0.000^*) \quad (0.000^*) \quad (0.000^*) \quad (0.002^*) \quad (0.006^*) \quad (0.005^*)$$

FOR

Y= purchase intention

X_1 = Brand, X_2 = Quality, X_3 = Price, X_4 = Design, X_5 = Utility, X_6 = Technical Consideration

It can be found in Equation 1. Technical Consideration is the most important variable that influences the repurchase intention by a regression coefficient of about 0.188, followed by quality, utility, price, brand, and design, respectively, with coefficients of 0.173, 0.164, 0.142, 0.126, and 0.125.

Table 4.13. Summary Result on Hypothesis 1

Demographic	Repurchase Intention	Results
Gender	t(403) = -2.11, p = 0.04	√
Age	F = 0.012, p = 0.988	-
Education level	F = 6.073, p = 0.003	√
Marital Status	t(403) = -1.191, p = 0.738	-
Income level	F = 4.982, p = 0.002	√

- The mean difference has a significant value of more than 0.05.

√ The mean difference has a significant value less than the level of 0.05.

From Table 4.13, this study found that gender (t (403) = -2.11, p = 0.04), education (F = 6.073, p = 0.003), and income (F = 4.982, p = 0.002) significantly influence purchase intention. However, age (F = 0.012, p = 0.988) and marital status (t(403) = -1.191, p = 0.738) were found to have no significant effect on repurchase intention.

Table 4.14 Summary Result on Hypothesis 2

Repurchase Intention	Forecasting Equations
	Y = 0.355+ 0.193X6 +0.159X2+ 0.144X5+0.142X3+0.127X1 +0.127X 4
	(0.000*) (0.000*) (0.000*) (0.002*) (0.006*) (0.005*)

X_1 = Brand, X_2 = Quality, X_3 = Price, X_4 = Design, X_5 = Utility, X_6 = Technical Consideration

The summary equation indicated that the technical consideration was the highest influence variable on customers' repurchase intention.

CHAPTER V

CONCLUSION

This study aims to analyze the factors that influence the purchase intention of luxury cars and make recommendations for Mercedes-Benz's design and service. According to the analysis results in Chapter 4, this chapter is divided into five parts:

Part One: Conclusion

Part Two: Discussion

Part Three: Implication for Practice

Part Four: Recommendation for Future Research

Part Five： Limitation of the Study

5.1 Conclusion

5.1.1 Demographic

After descriptive statistical analysis, it was found that of the 405 respondents, 192 (47.4%) are male, and 213 (52.6%) are female. Regarding age, 38% of the respondents were between 21 and 30. The proportion of respondents over 44 is the lowest, 24.4%. Of all the respondents, 51.4% had a bachelor's degree, while just 13% had a higher education than a bachelor's degree. Two hundred two were unmarried (49.9%), and 203 were married (50.1%) in terms of marital status. Less than 6,000 yuan accounts for 18.3% of respondents' monthly income, while more than 16,000 yuan accounts for 34.6%.

This study found that gender ($t(403) = -2.11$, $p = 0.04$), education level ($F = 6.073$, $p = 0.003$), and income ($F = 4.982$, $p = 0.002$) significantly impacted purchase intention. Age ($F = 0.012$, $p = 0.988$) and marital status ($t(403) = -1.191$, $p = 0.738$) had no significant difference in purchase intention.

5.1.2 Perceived Value

The research results show that technical factors are the most important variable affecting repurchase intention, with a regression coefficient of approximately 0.188, followed by quality, utility, price, brand, and design, with coefficients of 0.173, 0.164, 0.142, and 0.126 and 0.125 respectively.

5.2 Discussion

5.2.1 Demographic

The research results show that gender, education level, and income level significantly positively impact consumer purchase intention toward luxury cars in Kunming. This result, consistent with Nerurkar et al. (2023), explored the impact of demographic factors on consumer intention to buy electric vehicles in Malaysia. The study found that education and income positively affected consumer intention to buy electric vehicles. This is consistent with Choo et al. (2012), who surveyed luxury car consumers in South Korea and found that gender, education, and income level significantly impact the purchase intention of luxury cars. This is consistent with Liu et al. (2014), who surveyed luxury car consumers in mainland China and found that gender, education, and income level significantly impact the purchase intention of luxury cars. This is consistent with Sarwono and Frisdiantara (2016), who conducted a survey on luxury car consumers in Indonesia and found that gender, education, and income level have a significant impact on the purchase intention of luxury cars.

Regarding gender, women's purchasing proportion is higher than men's. This may be because many families in China will leave the management of money to women. After all, women will not spend money randomly and can use the money in the right place.

Regarding education level, people with a bachelor's degree account for the largest proportion because there are more people with a bachelor's degree in China. This shows that people who buy luxury cars have a higher degree, so they have enough money. Buy luxury brand cars.

The mean of respondents with income below 6,000 is lower than those between 12,000-16,000 and above 16,000, with significances of 0.008 and 0.001,

respectively. Respondents with an income between 6,000 - 12,000 have a lower mean than those with an income above 16,000, with a significant difference of 0.012. This means that the overall value purchase intention of respondents with an income of more than 16,000 is higher than that of 12,000-16,000 because buying luxury cars in China requires a large economic foundation. If your income does not reach a certain level, you cannot afford a luxury car, including vehicle maintenance, repair, and insurance, which are huge expenses.

5.2.2 Perceived Value

The research results show that brand, quality, price, design, utilities, and technical considerations in perceived value all significantly impact customers' purchase intention. Technical consideration is the most important variable in regression intention, consistent with Dhanabalan et al. (2018), who studied the influencing factors of consumers' car purchase decisions in the Indian automobile industry. The study shows that brand, price, quality, design, practicality, and technology considerations positively affect the target research variable, customer perceived value. All these factors force the results to show that the perceived value of brand, price, quality, design, practicality, and technology considerations influence purchasing decisions. Technical considerations refer to the engine, gearbox, and chassis, equivalent to the human heart, brain, and spinal nerves. They identified a luxury car. For example, a car's engine is better and more durable, which can bring something different to customers. Speed experience will have an important impact on consumers purchasing luxury cars.

Quality is the second important variable that affects purchase intention. This result is consistent with what Rizka et al. (2020) Study the effect of luxury brand, brand image, and product quality on purchase intention. This shows that the stronger consumers' perception of the influence of luxury brands, the more Image and product quality will increase purchase intention. Quality refers to the quality of the car's product. The better the quality of the product, the more it will be loved by consumers. Therefore, if the product quality of luxury cars is better, ensuring the quality of the product can increase consumers' willingness to buy.

Utility is the third variable that affects purchase intention. Sharp (2012) found that product utility become increasingly important in business along with the development of the relationship between demand and supply in the market. A vehicle's

utility is also a key concern for car buyers. Luxury cars have more high-tech features like autonomous driving systems, smart parking, and lane-keeping assist. These configurations not only improve the vehicle's performance but also make the vehicle more in line with the needs of modern consumers, thus increasing consumers' desire to buy cars.

Price is the fourth important variable affecting car purchase intention, consistent with Wasserman (2010), who found that car price is an important factor affecting consumer purchasing decisions. Also, Gokhale et al. (2020) studied the factors affecting luxury car purchase decisions and consumer behavior. They identified the main factors leading to changes in the purchase behavior of the Indian middle class. The results show that price is the most critical luxury car purchase intention predictor.

Generally speaking, consumers will consider which price range to buy a car based on their financial situation and budget. If the price of a car is too high, consumers may consider other cheaper options or wait for some time so that the price drops or a better deal becomes available. In addition, if consumers find that the price difference between different sales channels for the same product model is large, they may be more inclined to choose the lower-priced sales channel. Conversely, consumers may be more willing to purchase a car if the price is relatively low because it means it is easier for them to afford the purchase cost of the car. However, if the price is too low, consumers may doubt the quality and performance of the car and be reluctant to buy it.

The brand is the fifth variable that affects car purchase intention. Consistent with examining the factors influencing consumer attitudes toward global luxury car brands. The results are consistent with De Silva et al. (2020), who examined the factors influencing consumer attitudes toward global luxury car brands. The findings show that brand awareness and liking positively impact consumers' attitudes towards luxury cars. This is also consistent with Naeem et al. (2020) study on product brand loyalty and purchasing decisions. This study conducts a comparative analysis of the target research variables of two well-known car brands, the Honda Civic and Toyota Corolla Xli. Research surveys show a positive relationship between product brand loyalty and purchasing decisions. A good brand is often one of the conditions for customer selection. For example, if the price is the same, consumers will choose a luxury car with a better brand.

Research by Sarwono and Frisdiantara (2016) found that female consumers are more inclined to buy luxury cars with good looks, designs, and details. Design is the sixth variable that affects car purchase intention, and the exterior design of a vehicle has an important impact on purchase intention. Car buyer appeal has a big impact. The exterior design of a vehicle is one of the most important considerations for car buyers when choosing a model. Beautiful and stylish exterior design can increase the appeal of a vehicle and make consumers more willing to buy this model.

In today's society, young people are paying more and more attention to pursuing individuality and fashion. They want to express their personality and attitude through the products they use. Therefore, automobile companies must innovate according to trends and consumer needs and provide more personalized products and services. We can only attract consumers' attention and desire to buy by keeping up with the trends of the times.

5.3 Implication for Practice

The researcher studied the purchase intention of luxury cars in Kunming by demographic analysis and perceived value to respond to the demand for luxury car customers in Kunming. This study has great reference value because it can help car service providers make successful plans. The researchers recommend the following:

1. The research found that among the demographic factors of luxury car customers in Kunming, the respondents were mainly female. Most of them had a bachelor's degree, and there was a significant relationship with those with an income level of more than 16,000 yuan. Therefore, store clerks or leaders need to regard these customers as key customers and increase their purchase intentions through attentive reception and high-quality services when they arrive.

2. The research results found that the most important customers' perceived value is technical considerations, and the least important is design. Therefore, staff selling luxury cars can use this data to formulate correct marketing plans and design vehicles based on technical considerations that customers are interested in to influence the needs of luxury car customers in the Kunming area and recommend technologically advanced luxury cars to customers.

5.4 Recommendation for Future Research

In future studies, a larger sample size should be collected, and the scope of the study should be expanded. In order to improve the accuracy of the research, attention should also be paid to the impact of after-sales service on consumers' willingness to purchase automobile manufacturers' products and services again, and the verification of related strategies should be further strengthened.

5.5 Limitations of the Study

The limitations of this study are mainly reflected in the following aspects: First, the study had a limited sample size. In the study of perceived value and luxury car purchase intention, this article mainly selected 405 samples for targeted empirical analysis. The sample size is small, and the sample range is mainly from the Kunming area. The samples may also not be representative of different demographics or customer segments.

Secondly, research on the impact of consumer perceived value on luxury car purchase intention is mainly limited to a specific framework, focusing on the impact of factors such as brand, price, quality, design, practicality, and technical value on purchase intention. It should be noted that consumers' perceived value is reflected not only in these aspects but also in their sense of gain. Further research is needed.

Finally, this study mainly focuses on luxury car brands in Kunming and limits luxury brand cars in other regions.

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APPENDICES

Questionnaire

Dear Luxury Car Customer,

I am a UTK ISIC student researching ***Factors that Influence on Consumer Purchase Intention Toward Luxury Cars in Kunming***.

Your participation is essential to this study. We sincerely invite you to take your precious time and fill out the following questionnaire based on your experience and real thoughts. All information you provide will be kept strictly confidential, will only be used for research purposes, and will not be used for any commercial purposes. Your responses will be anonymous and will not place any personal burden on you.

Thanks again for your participation and support! Your opinion will have an important impact on our research.

Thanks!

Part 1: Demographic Factors

1. Gender ☐ 1) Male
□ 2) Female

2. Age □ 1) 21-30 years old
□ 2) 31-40 years old
□ 3)＞40 years old

3. Education level
□ 1) Less than Bachelor's degree
□ 2) Bachelor
□ 3) Higher than Bachelor

4.Marital Status □ 1) Married □ 2) Unmarried

5. Monthly Income (Chinese Yuan)

☐ 1) Less than 6000

□ 2) 6000 - 12,000

□ 3) 12000 - 16,000

□ 4) More than 16,000

Part 2: Perceived Value

Please read the following questions carefully and tick the boxes according to your opinion.

5—Strongly Agree 4--Agree 3--Neutral

2--Disagree 1--Strongly disagree

Brand	1	2	3	4	5
6. The luxury brand car influences your purchase intention					
7. The luxury brand car feels good					
8. Own a luxury brand car to show your high status in society					

Quality	1	2	3	4	5
9. Quality affects your purchase of luxury cars					
10. You trust the quality of luxury cars					
11. The quality of luxury cars makes you feel safe during driving.					

Price	1	2	3	4	5
12. The price will change your purchase intention					
13. The car price is reasonable					
14. The price of a car reflects its quality and performance					

Design	1	2	3	4	5
15. Design influences your purchase of luxury cars					
16. You care about the exterior design of your car					
17. Car interiors are important					
Utility	**1**	**2**	**3**	**4**	**5**
18. The utility will influence your purchase of a luxury car					
19. The utility performance is stable					
20. The utility of apps is important					
Technical Consideration	**1**	**2**	**3**	**4**	**5**
21. Technical consideration will influence your purchase of luxury cars					
22. The automotive technical consideration can promote development and innovation in the automotive industry					
23. You are interested in automotive technical consider					

Part 3: Purchase Intention

Please read the following questions carefully and tick the boxes according to your opinion.

5--Strongly Agree 4--Agree 3--Neutral

2--Disagree 1—Strongly disagree

Purchase Intention	1	2	3	4	5
24. You intend to purchase a luxury car					
25. You are willing to purchase a luxury car					
26. You have a high intention to purchase a luxury car					

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