PURCHASE DECISION OF MOTOR VEHICLES BY ACADEMIC STAFF OF THE SCHOOL OF BUSINESS AT THE UNIVERSITY OF NAIROBI

UNEVERSITY OF MAIRE

BY KAMIRU JOSEPH MWANGI

A MANAGEMENT RESEARCH PROJECT SUBMITTED IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE AWARD OF THE DEGREE OF MASTER OF BUSINESS ADMINISTRATION (MBA), SCHOOL OF BUSINESS, UNIVERSITY OF NAIROBI

OCTOBER 2006



DECLARATION

This Research Project is my original	work and has not	been presented	for a degree in any
other University.			

Signed.

Date 07-11-2006

KAMIRU JOSEPH MWANGI

D61/7408/04

This Research project has been submitted for examination with my approval as the University Supervisor

Signed Manualoh

Date 07-11-2006

MRS. MARGARET OMBOK
LECTURER
DEPARTMENT OF BUSINESS ADMINISTRATION
SCHOOL OF BUSINESS
UNIVERSITY OF NAIROBI

DEDICATION

This project is dedicated to my parents Samuel K. Gicheru and Elizabeth N. Kamiru, supported me during the period that I undertook the MBA programme. Thank you so much.

ACKNOWLEDGEMENT

I sincerely want to acknowledge the following people who assisted me directly and indirectly in my entire MBA programme.

First, to the University of Nairobi for admitting me into the programme and creating an enabling environment for me to remain motivated throughout the study period.

Secondly, my sincere thanks go to my Supervisor Mrs. Margaret Ombok for accepting to supervise this work. Her persistent guidance and encouragement is highly appreciated

Thirdly, my sincere thanks go to my father, Samuel Kamiru Gicheru for initiating me to join the programme and financing the entire programme. To My mother, Elizabeth Njeri Kamiru for supporting me financially and materially during the trying moments, the effort is highly appreciated.

Last but not least to my MBA colleagues who offered moral and academic support during the entire programme.

TABLE OF CONTENTS

	Page
DECLARATION	i
DEDICATION	ii
ACKNOWLEDGEMENT	iii
LIST OF TABLES.	vii
LIST OF ABBREVIATIONS	viii
ABSTRACT	ix
CHAPTER ONE: INTRODUCTION	
1.1 Background	1
1.1.1 Purchase decision process	2
1.1.2 The Motor industry in Kenya	3
1.2 Statement of the problem	5
1.3 Objectives of the study	6
1.4 Importance of the study	6
CHAPTER TWO: LITERATURE REVIEW	
2.1 Consumer behavior	7
2.2 Consumer purchase decision making levels	9
2.3 Consumer decision making model	10
2.4 Factors that influence consumer behavior.	17
2.4.1 Marketing efforts	17
2.4.2 Psychological factors	19
2.4.3 Personal factors	
2.4.4 Social factors	24
2.4.5 Cultural factors	
2.5 Summary of the literature review	

CHAPTER THREE: RESEARCH METHODOLOGY 3.1 Research Design......30 3.2 The population......30 3.3 Sample and Sampling design30 3.4 Data collection......31 3.5 Data Analysis......31 3.6 Operationalisation of variables......31 CHAPTER FOUR: DATA ANALYSIS AND FINDINGS 4.1 Introduction......32 4.2 Demographic profiles of Respondents......33 4.2.1 Age profiles of the respondents......33 4.2.2 Income of the Respondents......34 4.2.3 Education level of the respondents......34 4.2.4 Gender of the Respondents......35 4.2.5 Marital status of the respondents......35 4.2.6 Engine capacity of the respondents' vehicles......36 4.3 Factors influencing the purchase decision of respondents37 4.3.1 Psychological factors......37 4.3.2 Personal factors......38 4.3.4 Cultural factors......40 4.3.5 Marketing efforts......41 4.4 Stages in the purchase decision process......42 4.4.1 Need Recognition.......42

CHAPTER FIVE: DISCUSSION, CONCLUSION AND RECOMMENDATI	UNS
5.1 Introduction	48
5.2 Discussion	48
5.3 Conclusion	49
LIMITATIONS OF THE STUDY	50
SUGGESTIONS FOR FURTHER RESEARCH	50
REFERENCES	51
APPENDICES	56
Appendix i Letter of introduction	50
Appendix ii Operationalising the factors influencing purchase decision	/ د
Appendix iii Operationalising the stages in the purchase decision process)
Appendix iv Questionnaire	62

LIST OF TABLES

	Page
	33
Table 1: Age profiles of the respondents	34
Table 2: Income of the Respondents	34
Table 2. Education level of the respondents	
Table 4: Gender of the Respondents	
Table S. Marital status of the respondents	
Table 6: Engine capacity of the respondents' vehicles	
Table 7: Psychological factors	37
Table 8: Personal factors	38
Table 8: Personal factors	39
Table 9: Social factors	40
Table 10: Cultural factors	41
Table 11. Marketing efforts	, , , , , , , , , , , , , , , , , , , ,
T-L1- 12. Need Recognition	
T-bla 12. Information search	
Table 14. Evaluation of alternatives	
Table 15: Purchase decision	45
Table 16: Satisfaction or dissatisfaction	46
Table 16: Satisfaction of dissatisfaction	46
Table 17: Post satisfaction action	47
Table 18: Post dissatisfaction action	

LIST OF ABBREVIATIONS

	Msc
Mean Score	Sd
Mean ScoreStandard deviation	Std
Standard Kenya Shillings	

ABSTRACT

The motor vehicle industry in Kenya has undergone tremendous changes in the past 10 years as a result of liberalization in the early1990's. It is currently faced with cutthroat competition and industry players ought to understand the purchase behaviour of their consumers to be able to survive. This study sought to determine factors that influence University of Nairobi, School of Business academic staff in their purchase of motor vehicles and the decision process that they go through when purchasing motor vehicles.

A descriptive survey was conducted on 35 members sampled from 78 members of staff from the School of Business through both random and non-random sampling. Data was collected using semi structured questionnaires by use of drop and pick later method. 28 out of the 35 members of staff responded accounting for 70 % response rate. The data collected was analysed by the use of descriptive statistics and presented using tables.

The most influencing factors in the purchase of motor vehicles were fuel consumption, price of the model, comfort of the model, efficiency of the model, availability of spare parts and perception about the model. The least influencing factors were children, siblings, parents, discounts offered, influence by the salesperson, flexibility of payment and ability to obtain loans. Need for mobility was the most triggering factor for need recognition. The most used source of information was experience with a similar model whereas maintenance cost was the most important attribute while evaluating purchase alternatives. During the making of the actual purchase decision, attitude of family and friends about the model of the vehicle was the most influencing factor.

The study was inhibited by slow response rate and difficulties in locating the respondents as some of them did not have a permanent address.

An opportunity for further research exists on factors that influence the purchase decision of motor vehicles by other consumer groups other than the one discussed in this study. A study could also be done on factors that influence purchase of other categories of vehicles since this study was focused only on personal vehicles.

CHAPTER ONE INTRODUCTION

1.1 Background

The last one decade has witnessed unprecedented emergence of various forces that have posed serious challenges to the traditional premises and practices of marketing. These forces include stiff competition, globalization of products, deregulation of controls, dumping of sub-standard goods, explosion of information technology and a desire to access international brands (Mburu, 2001)

According to Kibera and Waruingi (1998), firms are critically evaluating the internal and external environment with the development of competitive strategies in order to satisfy consumers and at the same time maximize profits in order to remain in business. There is no industry that has been spared by the competition and firms have therefore come up ways to combat it. To cope up with competition, firms have taken various strategic measures including horizontal mergers, acquisitions, restructuring, reorganization, reengineering, development of cheaper products and segmentation. Ferrel (1993), notes that as the environment is a changing, consumer are also changing. They are becoming more sophisticated, complicated, and knowledgeable. They are dictating what and how to be served.

It has become imperative that industry players have to understand their consumers (both present and potential) well in order for them to design effective strategies. Organizations can no longer take anything for granted but come up with innovative products to enable them survive in the ever increasingly competitive environment. The range of products offered to consumers has widened and also cut across customer requirements.

Firms are increasingly using promotional campaigns not only to create awareness but also for market expansion by gaining more consumers from competitors and recruiting non-users of the products. The increase in the number of players in the market coupled with reduced purchasing power of the consumers has led to competitive pricing by the firms.

Business organizations have had to design effective distribution systems to ensure that the products reach the consumers at the right place and time. Since consumer behavior is influenced by many variables, it has become difficult for business managers to predict with certainty what the consumers are going to buy and in what quantities at a given period of time (McCarthy, 1991)

1.1.1 Purchase decision

According to Zikmund and D'Amico (1995), marketers who study consumer behavior are ultimately interested in how consumer choices are made. One important determinant is the situation in which a decision is made. The typology of consumer purchasing decision is based on two dimensions: the extent of decision-making and the degree of involvement of the purchase. The first dimension represents a continuum from decision making to habit. The second dimension depicts a continuum from high to low involvement purchases where high involvements purchases are those that are important to the consumer and require greater search for information by the consumer. On the other hand low involvement purchases do not require great deal of information search and are usually made as a routine.

Buying behavior does not begin or end at the instant a customer commits money in exchange for goods or services. Any purchase involves a process that begins when a consumer starts to recognize a need or desire for a product and it is not complete until the consumer possesses the product and has evaluated its utility which can be long after the act of exchange (Lazer and Culley, 1983). To deal with the marketing environment and make purchases, consumers engage in a decision process (Stanton et al, 1991). Though the model is a useful point for examining purchase decisions, the process is not always as straightforward as it may appear. As Zikmund and D' Amico (1995) state, different consumers may pass through these steps at different rates of speed, the potential buyer can withdraw at any stage prior to the actual purchase, either because of money shortages or he may determine that no available alternative is satisfactory; hence some stages may be skipped.

According to Lazer and Culley (1983), purchasing often is described as the sequential process of becoming aware of the need, searching for information about products to satisfy the need, evaluating the alternatives, reaching a purchase decision and realizing post purchase feelings. Consumer buying process involves 3-stages: pre-purchase stage; purchase stage and post purchase stage. During the pre-purchase stage, the consumer becomes aware of the product, grows interest in it and forms a favorable or unfavorable attitude towards it. If the consumer is sufficiently interested in a particular product and there are no financial or other barriers to making the exchange, then the purchase stage occurs, that is a decision is made to buy the product and a particular product type, brand and distributional outlet is selected. Potential buyers often try to sample the item (trial) before making a final commitment to purchase it. If they do make a purchase, their evaluation of the product will occur during post purchase stage.

1.1.2 The Motor Industry in Kenya

Although the beginning of the automobile are lost in the midst of unrecorded events of early history, man's concern allover the world with transportation led to attempts by many individuals to develop self propelled road vehicles (Omondi, 1988). Carl Benz (1844-1929) and Gotlieb Daimler (1834-1900) are taken to be the inventors of the modern motor vehicle. These vehicles were driven in the streets of Germany in 1885 and 1886 respectively. However it was not until the 19th century that the first vehicle was manufactured and driven in England and the U.S.A. By the mid 1920's most industries had motor vehicles.

The Kenyan motor industry is one such industry that is critical in the national development initiative. In the early nineties, the motor industry in Kenya could boast of over thirty key players under the umbrella body- Kenya Motor Industry Association. The industry was by then not liberalized and the franchise holders had limited number of model variations, which meant that customers did not have much choice. The scenario has since changed a great deal as a result of liberalization, which led to unprecedented influx of reconditioned vehicles. The number of players has also increased and consumers have increasingly become discerning but with a decreasing disposable

income. The industry has experienced restructuring, closures, dwindling sales, mergers and acquisitions.

The mainstream motor vehicle business in Kenya has in recent past been hit by perpetual declines. Most companies have been forced to scale down their operations to skeleton structures, choosing to retain only appointed distributors while others have relocated to other East African countries in search of better operating environment. According to D.T Dobie Newsletter (August, 2000), the company had retrenched four times in seven years. Lonrho E.A. had been put under receivership and also had to retrench and restructure. Marshalls E.A lost Honda franchise to little known prestige motors. Ford motors and Citroen pulled out of Kenya in the 70's and made a comeback in the late 90's with the Ford franchise being given to Lonrho East Africa. Other notable entrants included Alfa Romeo, Hyundai, KIA motors, Daewoo, Ssangyong, and Scania.

According to Kenya Motor Industry Association statistics (2000), the industry has never hit the break-even target per month because the market has been taken up by an ascendant second hand imports. However, the association notes that the industry realizes an increase of new vehicle sales each year though the increase is much below the units that the Kenya Auto Bazaar Association estimate its members sell in the same period. Kenya Motor Industry Association blames uncontrollable imports and dumping for the decline in the new vehicle market. Used vehicles account for 70 per cent of the motor vehicle market in Kenya, despite the high cost in terms of spares since these vehicles cannot withstand the rigors of local conditions. The tricky question to append to this scenario is whether the influx of used car into the market is due to increased demand by local consumers or Kenya is just becoming a cheap dumping site for such gadgets.

Most companies that operate in Kenya are franchise holders. The realities of the changing environment demands that these franchise holders should operate efficiently and effectively in order to survive. The demands of liberalization and increased competition have meant that the franchisees should make deliberate effort to put in place strategic measures that would give them an edge over competitors. In light of cutthroat

competition, the industry players have evolved new marketing and advertising programs that have ensured continued success of major players like D.T. Dobie, General Motors and other dealers. In addition, the industry focuses on specific niche of the car market, especially for various brands and models. The targeted customers for the new models include top chief executives of multinational companies, wealthy farmers, non-governmental organization, diplomatic missions, local and multi-national organizations.

The old adage that the customer is king is increasingly taking center-stage in the motor vehicle industry. Most players have restructured themselves to emphasize on after-sales service. One such innovation is 'full maintenance leasing'. Through this strategy the buying company undertakes to pay for the vehicles in installments but the dealer undertakes to maintain the fleet. Most dealers prefer it to cash or hire-purchase schemes. Under this scheme the fleet buyer pays a fixed sum in installments every month and does not have to worry about maintenance costs.

1.2 Statement of the problem

Motor industry is very important to the development of any economy. It provides services to the numerous sectors of the economy namely agriculture, building and construction and the industrial sector. The motor vehicle industry in Kenya has undergone tremendous changes in the past 10 years as a result of liberalization in the early 1990's. The industry is currently faced with cutthroat competition. Declining market share for players and a more informed and demanding customer base have put significant pressure on the players in the industry.

There has been a marked increase in the number of players both in the new and second hand car markets. It has therefore become imperative that marketers have to understand their consumers' purchase decision process and the factors that influence the purchase decision well in order for them to design effective strategies that will ensure that their consumers are satisfied. They can no longer take anything for granted but come up with innovative products to enable them survive in the ever increasingly competitive environment.

A few studies have been conducted in the motor industry and consumer purchase decision but none has been focused on the purchase decision process and the factors that influence the buying behaviour among buyers of motor vehicles. Studies done by Mohammed (1995), Nyaga (1989) and Njenga (2003) were on marketing mix in the motor industry, family purchase decision and purchase decision of insurance products respectively. None of the studies have specifically concentrated on the purchase decision process and the factors that influence the decision in the motor vehicle industry.

Through this study, players in the motor industry may understand the process that the consumers go through to make their purchase decisions and the factors that influence the purchase decision in order for them to design effective strategies so as to exploit opportunities in the dynamic business environment. The proposed study intended to close the gap by seeking responses to the following questions:

- i. What factors influence motor vehicle buyers purchase decision?
- ii. What is the purchase decision process that motor vehicle buyers go through when buying motor vehicles?

1.3 Objectives of the study

The objectives of the study were to:

- i Determine factors that influence motor vehicle buyers purchase decision.
- ii Determine the decision process that motor vehicle buyers go through when buying motor vehicles.

1.4 Importance of the study

- i The findings may be beneficial to Motor vehicle dealers since they will be able to understand their consumers' buying behavior and hence develop better strategies to satisfy them.
- ii Scholars and future researchers who may wish to use the research as a source of reference.

CHAPTER TWO LITERATURE REVIEW

2.1 Consumer behavior

According to Assael (1998), the consumer is very complicated and to elaborate the complexity of the consumer, he wonders whether the consumer is the one who hands over money at the counter, the one who uses the product or any one who takes part in the purchase process. He further says that the answers to these questions are definitional. He goes on to define the consumer as the individual(s) who exercise the right of acquisition and use over goods and services offered for sale by marketing institutions.

Schiffman and Kanuk (1991) on the other hand look at the definition of a consumer from a different point of view. They use the term consumer to describe two different kinds of consuming entities: the personal consumer and the organizational consumer. They argue that the personal consumer buys goods and services for his or her own use (e.g. a notebook), for the household (e.g. a television) or as a gift (e.g. a video game). In each of these contexts the products are bought for final use by the individuals who are referred to as end or ultimate users. The organizational consumers include profit and not-for-profit organizations, government agencies and institutions (e.g. schools, hospitals and prisons) all of which must buy products, equipment and services in order to run their organizations

Consumer behavior has been defined, as the behavior that consumers display in searching for, purchasing, using, evaluating and disposing of products that they expect will satisfy their needs (Cravens, 1996). Kibera and Waruingi (1998) define consumer behavior as a complex decision making process by the individual consumer overtime. Literal meaning of the word consumer is derived from the word "to consume" which means to use up. The consumer would then be defined as the person who does the act of using up the good.

Consumer behavior therefore concerns itself with specific types of human behavior that are market related. It includes both mental decisions and physical activities resulting from

decisions involved specifically in buying and using of economic goods and services. The consumer basic decision is whether to purchase a product or not. The decision on what to purchase is directly related to product choices. The decision on when to purchase involves the timing of purchase, while the decision on where to purchase involves the choice of store and the decision on how to purchase is directly related to other decisions such as the amount of time to be used, mode of payment, mode of transportation and whether to shop alone or with others.

It has been argued that understanding consumer needs is the very essence of marketing and the marketing concept (Kotler, 2000). According to Loudon and Bitta (1979), a sound understanding of consumer behavior is essential to the long run success of any marketing program. Infact, consumers and their wants are seen as the cornerstone of the marketing concept, an important orientation or philosophy of many marketing managers. The importance of understanding consumer is further exemplified by Hutt and Speh (1991), who assert that a core element in a firm's capability to achieve and to maintain a competitive advantage is its ability to satisfy the needs of consumers more fully and more rapidly than competitors in the market place.

According to Assael (1993), consumer behavior is important to marketers because the consumer has a great impact on the success of the firm. He further argues that it is important for a firm to create a marketing mix that satisfies the target consumer. Knowledge of consumer behavior helps the marketer predict how consumers are likely to respond to company's strategies. Schiffman and Kanuk (2000) observe that consumer behavior can be included in each step of the strategic planning process. By understanding consumer behavior and by defining the firm's business domain as market-oriented, managers and their organizations are able to satisfy consumer needs by monitoring closely evolving lifestyles and trends and anticipate consumer needs. This enables them to respond promptly with products and promotional campaigns to meet those needs.

Consumer behavior plays a role in the in the evaluation of consumer groups with unsatisfied needs or desires. Organizations should not only recognize consumers' unmet

needs but also understand whether those needs will be expressed as economically feasible markets and what organizational response is required for success in selling to those markets (Engel et al, 1978). London and Bitta (1979) note that consumer behavior is also applicable in government decision making. They further say that when the government develops policies aimed at providing services to the public, their decisions affect the consumers and as such the government ought to understand their behavior. Consumers benefit from the orderly behavior of consumers. When consumers study about what has been discovered about the behavior of others, they gain insight into their own interaction with the market place. They discover the many variables that influence their purchases and hence get the opportunity to better understand how they affect their own behavior.

2.2 Consumer purchase decision-making levels

According to Kanuk and Schiffman (2000), not all consumer decision making receive (or require) the same degree of information search. They also observe that if all consumer decisions required extensive efforts, then consumer decision making would be an exhaustive process that left time for anything else. Consumers can base their decisions on a cognitive process of information search and evaluation. On the other hand, little or no decision making may take place when the consumer is satisfied with a particular brand and purchase it consistently (Assael, 1998). Kanuk and Schiffman (2000) further note that on a continuum effort ranging from very high to very low, we can distinguish three specific levels of consumer decision making: extensive problem solving; limited problem solving and routinised response behaviour.

Extensive problem solving is when consumers have no established criteria for evaluating a product category or specific brands in that category or have not narrowed the number of brands they will consider to a small manageable subset. At this level consumers need a great deal of information to establish a set of criteria on which to judge specific brands and a correspondingly large amount of information concerning each of the brands considered.

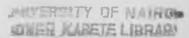
Limited problem solving on the other hand is the level of problem solving where consumers have already established the basic criteria for evaluating the product category and the brands in the category. However they have not fully established the preferences concerning a selected group of brands. The search for additional information is more like 'fine tuning'. They must gather additional brand information to discriminate among various brands.

Finally there is routinised response behavior, where the consumers have some experience with the product category and well established criteria with which to evaluate the brand they are considering. In some situation, they may search for a small amount of additional information while in others they simply review what they already know. Just how extensive a consumer problem solving task is depends on how well established his or her criteria for selection are, how much information he or she has about the brand being considered and how narrow the set of brands is from which the choice that will be made.

2.3 Consumer decision making model

Mowen (1988) notes that majority of research into consumer behavior throughout the 1970s and 1980s focused on the decision-making perspective in consumer purchase decisions. The view is derived largely from economic theory of consumer demand and the normative concepts of economic man and rational behavior. The view of the rational decision maker is based on a cognitive model, which assumes that purchasing is a problem-solving activity in which consumers move through a series of stages in order to solve a problem.

Consumers go through a decision process of varying complexity, depending on the nature of the decision they are making, with a number of possible variables, which influence this process at a number of stages (Kotler, 2000). Whether consumers actually do go through each of the stages outlined and the amount of time spent at any one stage, is likely to vary with the nature of the purchase. Where the purchase is perceived to be of high risk, it is likely that the consumer will spend more time in the information search and evaluation stages. Such buying decisions are termed complex or high involvement decisions (Assael,

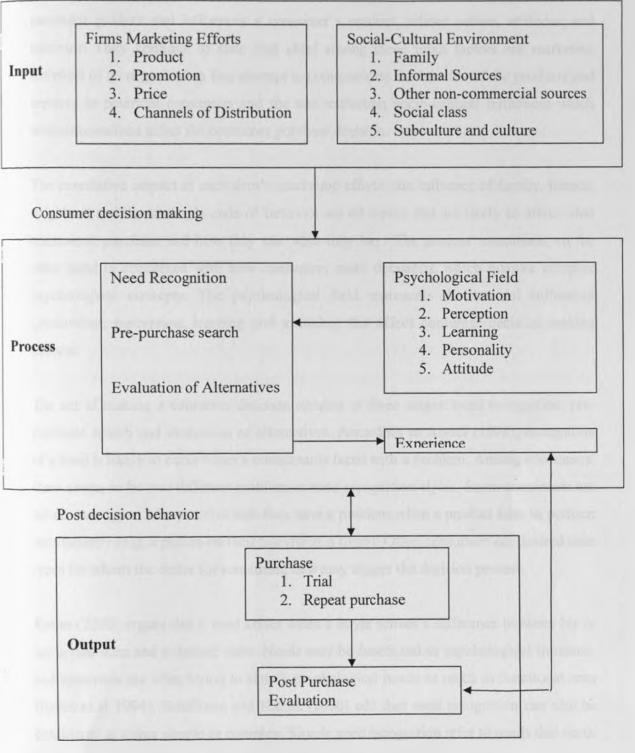


1998). For routine or habitual purchases, the decision process will probably be simplistic where no formal process of information search or evaluation will be gone through and consumers will rely on past experience.

According to Schiffman and Kanuk (2000), consumer decision making process can be viewed as three distinct but interlocking stages: the input stage; the process stage and the output stage. The consumer buying process is therefore a complex matter as many internal and external factors have an impact on the buying decisions of the consumer.

Figure 1: A Simple Model of Consumer Decision-Making

External influence



Source: Schiffman L.G and Kanuk. L (2000) Consumer behavior, Prentice hall, pg565

Behind the visible act of making a purchase lies a decision process that must be investigated. Schiffman and Kanuk (2000) describe input in the consumer decision model as one that draws from external influences that serve as sources of information about a particular product and influences a consumer's product, related values, attitudes, and behavior. They continue to state that chief among these input factors are marketing activities of an organization that attempt to communicate the benefits of the products and services to potential consumers and the non marketing socio-cultural influences which when internalized affect the consumer purchase decision.

The cumulative impact of each firm's marketing efforts, the influence of family, friends, neighbors and the society's code of behavior are all inputs that are likely to affect what consumers purchase and how they use what they buy. The process component on the other hand is concerned with how consumers make decisions, which involve complex psychological concepts. The psychological field represents the internal influences (motivation, perception, learning and attitudes) that affect consumer decision making process.

The act of making a consumer decision consists of three stages: need recognition; prepurchase search and evaluation of alternatives. According to Assael (1998), recognition of a need is likely to occur when a consumer is faced with a problem. Among consumers, there seems to be two different problem or need recognition styles. Some consumers are actual state types who perceive that they have a problem when a product fails to perform satisfactorily (e.g. a picture on their television is fussy). Other consumers are desired state types for whom the desire for something new may trigger the decision process.

Kotler (2000) argues that a need arises when a buyer senses a difference between his or her actual state and a desired state. Needs may be functional or psychological in nature, and marketers are often trying to satisfy psychological needs as much as functional ones (Babin et al 1994). Schiffman and Kanuk (2000) add that need recognition can also be considered as either simple or complex. Simple need recognition refer to needs that occur frequently and can also be dealt with automatically (e.g. becoming thirsty and purchasing

a can of soda). On the other hand complex need recognition is a state that develops overtime as an actual state and a desired state gradually move apart (e.g. after several years of driving a car, the owner may consider trading it for a new one to avoid growing repair bills).

A need can be triggered by internal or external stimuli or both. It can be as simple as noticing an empty milk carton or it can be activated by marketing efforts. Internal stimuli occurs when one of the consumer's normal needs (hunger, thirst, sex) rise to a threshold level and become a drive. Nyaga (1989) notes that external stimuli may be visual, audio or scent and is perceived by our five senses. It arouses the desire to acquire the item serving as the source of the stimuli. An example is when one sees a beautiful car and desires to have one like it.

Pre purchase search begins when a consumer perceives a need that might be satisfied by the purchase and consumption of a product. A consumer is in this stage if he or she sees a need for information on which to base a choice (Schiffman and Kanuk, 2000). Solomon (1996) observes that an aroused consumer will be inclined to search for more information after a need for a product arises. The recollection of past experiences might provide the consumer with adequate information to make the present choice. If on the other hand, the consumer has no previous experience, he or she may have to engage in extensive search of the outside environment for useful information (Cravens, 1996). The information search clarifies the problem for the consumer by suggesting criteria to use for the purchase, yielding brand names that might meet the criteria and developing consumer value perception.

According to Assael (1998), the extent and depth information search will depend on the nature of the buying decision. Where the good being bought is a routine product, of little value or of low perceived risk, then the buying decision is said to be of low involvement. In such a case there is unlikely to be an extensive information search. On the other hand, if the product being bought is of high value and perceived risk then the consumer is likely to be engaged in extensive information search. It will also depend on the amount and

credibility of the stored experience, ease of obtaining information, the value the buyer attaches to additional information and the satisfaction the buyer gets from the search.

Sheth and Parvatiyar (1995) argue (ince) consumers have a limit to their ability to process information and that they may exhibit satisficing rather than maximizing behavior. In other words, they will only seek further information if they are unsatisfied, even if there is a possibility that there may be an alternative that would derive them greater utility. For most low involvement goods, purchases are frequently made on the basis of price (Assael, 1998). However, offering a lower price may not be sufficient to cause customers to change a supplier, as they are thought to exhibit threshold responses (Malhotra, 1983). Thus, it may be that customers will only change a supplier if the price differential reaches a certain level, presumably as small gains in price will not compensate for the inconvenience of having to change the supplier.

According to Schiffman and Kanuk (2000), when evaluating potential alternatives, consumers tend to use two types of information: a list of brands from which they plan to make their selection (the evoked set) and the criteria they will use to evaluate the brand. Kotler (2000) notes that there is no simple and single evaluation process used by all consumers or by one consumer in all buying situations. He further notes that there are several decision evaluation processes, the most current models of which see the consumer evaluation process as cognitively oriented. They see the consumer as forming product judgments largely on conscious and rational basis.

Kibera and Waruingi (1998) on the other hand argue that consumers have what are called evaluative criteria which are specifications used by them to compare and evaluate products and brands. The criteria can either be objective (specific physical features such as color, material and durability) or subjective (symbolic value, prestige or class of the product). In some buying situations, consumers may use only one criterion to make a decision. They may buy a pen simply because it is available. In other decisions, they may use many criterion e.g. when buying a car where features such as price, style, economy, dependability, color, availability of spare parts and status may be involved. They apply

the alternatives against the criteria and select the one that comes closest to maintaining what they want and need.

Consumers allocate attribute factors to certain products, almost like a point scoring system, which they work out in their mind over which brand to purchase. This means that consumers know what features from the rivals will benefit them and they attach different degrees of importance to each attribute. For example sound maybe better on the Sony product and picture on the Toshiba, but picture clarity is more important to a consumer than sound and hence he is likely to prefer Toshiba to a Sony product. Consumers usually have some sort of brand preference with companies as they may have had a good history with a particular brand or their friends may have had a reliable history with one (Assael, 1998).

According to Schiffman and Kanuk (2000), the output stage consists of two closely related post decision activities: purchase behavior and post purchase evaluation. The purchase activity is concerned with the actual final decision and physical activities involved in making (or not making) the purchase (Kibera and Waruingi, 1998). It includes the actual transaction when the buyer exchanges a quantity of his resources for a quantity of the product.

Even if the consumer has taken time to gather information, and evaluate alternatives, whether he actually acts on this is another matter. Consumers make three types of purchases: trial purchases; repeat purchases and long-term commitment purchases. If the consumer buys a product for the first time and in smaller quantities, the purchase is considered a trial purchase. Repeat purchase is closely associated with brand loyalty and is usually for products found by trial to be better than others. Commitment purchases on the other hand occur when trial is not feasible e.g. when buying durable goods (refrigerators, washing machines e.t.c).

Schiffman and Kanuk (2000) observe that during the consumption or use of a product, consumers will evaluate its performance in light of their own expectations. They further

argue that there are three possible outcomes of these evaluations: actual performance matches expectations leading to a neutral feeling; actual performance exceeds expectations leading to positive disconfirmation of expectations (which leads to satisfaction); actual performance is below satisfaction leading to negative disconfirmation of expectation (which leads to dissatisfaction). Another important component of post purchase evaluation is the reduction of uncertainty that the consumer might have about the selection. They try to reassure themselves that their choice was a wise one, that is they try to reduce post purchase cognitive dissonance (Assael, 1998). The consumer post purchase evaluation feeds back as experience to the consumer psychological field and serves to influence future related purchase decisions.

The consumer satisfaction or dissatisfaction with the product will influence subsequent behavior. It affects consumer value perceptions, consumer communications and repeat-purchase behavior. Where the consumer is satisfied with the good's performance, repeat purchase is more likely (Szymanski and Henard, 2001). However, for a low involvement purchase, it is unlikely that any post-purchase evaluation will be made, unless the performance of the good is unsatisfactory. With a product like toothpaste, the performance of the product itself is not a matter of question, and so marketers will need to convince consumers that there is sufficient price and service differential in their offering to induce the need for change.

On the other hand, a dissatisfied consumer may abandon the product, return it to the seller or may seek information that confirms it's high value. He or she may also take a public action such as complaining to the company or going taking a legal action. Marketers often use advertisements or follow-up calls from salespeople in this post purchase stage to try and convince buyers that they made the right decision.

2.4 Factors that influence consumer behavior

According to Assael (1998), consumers are exposed to various marketing stimuli, which are designed to influence consumer decisions. Consumers reaction to the stimuli is based on four sets of variables: psychological set, that is the general state of mind towards an

object that determines positive or negative reactions towards a brand; consumer's personal characteristics in the form of lifestyle and personality which influence the choice of products that the consumers purchase; environmental factors which include social and cultural factors and a firm's marketing efforts which is the marketing used by the firm.

2.4.1 Marketing efforts

The marketing activities of a firm attempt to communicate the benefits of their products and services to potential consumers. They are a direct attempt to reach, inform and persuade consumers to buy and use its products. They take the form of specific marketing mix strategies that consist of the product itself (packaging, size, guarantees e.t.c), promotional efforts (mass media, advertising, direct marketing, personal selling, publicity and public relations), pricing policy and the selection of distribution channels to move a product from the manufacturer to the consumer.

Product is one of the marketing mix and Firms present their products in a way that is meant to influence purchase decision. The quality of a product, it's packaging, color, smell, taste, design and quantity all appeal to different markets segments differently. Presentation of a product therefore determines who it may appeal to thus how much he may purchase, where and when it is purchased (Kotler, 2000).

A company's communication activities in the form of advertising, in-store stimuli, personal selling and other sales messages constitute the firm's promotional activities and influence customer purchase decisions. They not only influence impulse purchases but also influence trials and encourage switching habits by consumers. The way promotional activities are organized determines their persuasive power thus what product is purchased and by which target market (Kotler, 2000). Where promotional activities are used well they are effective in influencing trial and usage of products and services.

Price of a product also determines who buys it and the quantity that is bought. Price also determines the market to be served by a firm. Lower prices appeal to specific target groups who may buy a product due to the low price and ignore another that they may

consider highly priced. Some consumers may not buy any lowly priced products as they perceive them to be low quality (Schiffman and Kanuk, 2000). Hatirli (2004) reports that in Turkey, responses on households to price differences stimulate them to choose unpacked alternatives over packed processed fluid milk. Price therefore determines who buys a product, how much is bought, which one is bought and where it bought.

The place or location of a retail outlet determines the purchase of a product. Whether it is a supermarket a way from home or a kiosk nearby, whatever is stocked determine whether consumers will purchase them or if they have to look elsewhere for their preferred brands that may be lacking in specific retail outlets. The size, layout and general ambience of a retail outlet also determines who patrons the place, when and what he purchases from there. Also important is the store's opening and closing hours as this also determines patronage (Kotler, 2000). Magadi (2003) argues that accessibility to better health services determine the choice of contraceptive method used among women in Kenya. He further argues that women in rural Kenya often use whatever methods are available at the nearest health center as they are unable to access alternative methods. This makes availability and accessibility very important to the target market.

2.4.2 Psychological factors

Motivation is one of the psychological factors that influence consumer behavior. According to (Schiffman and Kanuk, 2000), it is the driving force within individuals that impels them to action. The driving force is produced by a state of tension that exists as a result of an unfulfilled need. Individuals strive both consciously and unconsciously to reduce this tension through behavior that they anticipate will fulfill their need and thus relieve them of the stress that they feel.

Maslow (1971) strongly suggests that physiological, security, social, self-esteem and self-actualization needs which are hierarchically ordered exist in individuals. From lowest to highest, the hierarchy is: Physiological needs which are basic to survival; Safety and security needs i.e. self-preservation and physical well-being; Social needs i.e. love, friendship and belonging; Self-esteem needs i.e. achievement, status, prestige and self-

respect; Self-actualization needs i.e. personal fulfillment. Once the lower level needs in the hierarchy are met, people seek to satisfy the higher level needs.

Another psychological factor that influences consumer behavior is perception which refers to the process through which a person selects, organizes and interprets information input to create a meaningful picture of the world as received by his or her five senses (Kotler, 2000). Schiffman and Kanuk (2000) have described perception as the process by which an individual selects, organizes and interprets stimuli into a meaningful and coherent picture. Auma (2004) notes that in the process of perceiving marketing information, consumers form images of brands, stores and companies. Perception is important because consumers selectively perceive what they want and it affects how they see risks in a purchase. Perception determines specific products that a consumer purchases. If he perceives the product as low quality, he may search for what he perceives as high quality.

Just as important as motivation and perception is learning, which refers to changes in behavior resulting from observation and experience (Kotler, 2000). It plays a role at every stage of the buying decision process. Kibera and Waruingi (1998) on the other hand argue that learning occurs as a result of changes in an individual's response resulting from practice, experience or mental association. There are two forms of learning: Behavioral learning which refers to the process of developing automatic responses to a situation built up through repeated exposure to it. Four variables central to how consumers learn from repeated experience are: Drive i.e. a need that moves an individual to action; Cue i.e. a stimulus or symbol perceived by consumers; Response i.e. the action taken by a consumer to satisfy the drive and reinforcement i.e. the reward.

Marketers use two concepts from behavioral learning theory: Stimulus generalization which occurs when a response elicited by one stimulus (cue) is generalized to another. Using the same brand name for different products is an application of this concept: Stimulus discrimination, which refers to a person's ability to perceive differences in stimuli. The other form of learning is cognitive learning which involves making

connections between two or more ideas or simply observing the outcomes of others' behaviors and adjusting one's accordingly.

Furthermore we have beliefs which are descriptive thoughts about something and this can be based on knowledge, faith or opinion (Kotler, 2000). Solomon (1996) defines beliefs as cognition about specific attitude object (usually relative to others like it). They assess the extent to which the consumer perceives that a brand possesses a particular attribute e.g. a consumer might have a belief that Mercedes Benz is the most powerful model of a car. Beliefs make up product and brand images that affect buying behavior. They consist of the very large number of mental or verbal stints that reflect a person's particular knowledge and assessment of something (another person, a store, a product or a brand). They are consumer's subjective perception of how well a product or a brand performs on different attributes. A positive belief results to acceptance of the product while a negative one results to rejection.

Attitude on the other hand is an expression of inner feelings that reflect whether a person is favorably or unfavorably predisposed to some object (Schiffman and Kanuk, 2000). Jobber (2001) defines an attitude as an overall favorable or unfavorable evaluation of a product or service. Attitudes are basically people's likes and dislikes regarding products, services, ideas, brands, organizations and people. Attitudes are learned through the socialization and cognitive processes and can therefore be changed. They act as a framework on which we build thoughts and beliefs. Assael (1998) on the other hand argues that attitudes develop overtime through a learning process that is affected by family influence, peer group influence, information, experience and personality. A consumer's attitude towards a product or a company determines whether he will purchase the company's products or not. A consumer's attitude towards a brand is very influential in the decision-making process and are shaped by many factors including education, economic circumstances, family, age, experience, the law and social background (Ross and Harradine, 2004). Changing attitudes can be difficult, as they fit into a pattern and to change one may require radical adjustments to be made to others (Kotler, 2001).

Lastly we have values, which are beliefs that a general state of existence is personally and socially worth striving for. Values have been widely viewed as the outcomes of culture and ethnicity of a society (Phinney, 1992). Certain types of values may be regarded as more important to consumers in one country market than to those in another country market because of differences in culture and socio-economic conditions. This means that certain values affect more significantly consumers' attitudes and purchase decisions in specific country markets. It is therefore important for global marketers to identify prevalent types of consumer needs in targeted international consumer markets and to understand how these needs affect buying behavior. Identifying types of needs in selected international consumer markets can aid in developing effective marketing strategies appealing to the specific needs of those markets.

2.4.3 Personal factors

Personality influences how a consumer chooses various brands and products available in the market and is one of the personal factors that influence consumer behavior. It refers to the patterns of individual behavior that are consistent and enduring (Assael, 1998). Personality characteristics are often revealed in a person's self-concept, which is the way people see themselves and the way they believe others see them.

According to (Aaker, 1999), consumers prefer brands with which they share personality characteristics. He defines brand personality as the set of human personality characteristics associated with a brand. Consumers prefer a product with a product-user image that is congruent with their self-concept i.e. they prefer a specific product because they see themselves as similar to the kind of people that are generally thought to use this product (Heath and Scott, 1998). Personality can therefore be a useful variable in analyzing consumer behavior provided that personality types can be classified and that strong correlation exists between certain personality types and product choices.

Lifestyle on the other hand is defined by how consumers spend their time (activities), what they consider important in their environment (interests) and what they think of themselves and the world around them (opinions) (Assael, 1998). According to

Schifmann and Kanuk (2000), lifestyle refers to those inner psychological characteristics that determine and reflect how a person responds to his or her environment. It emphasizes on inner characteristics (attributes, traits, factors and mannerisms) that distinguish one individual from others. It describes a person's pattern of living and portrays the whole person interacting with his environment. Lifestyles are learned by individuals as a result of influences such as culture, social class, reference groups and the family.

Lifestyles attempt to profile a person's way of being and acting in the world. Marketers will therefore search for the relationships between their products and lifestyle groups with a view of exploiting lifestyle patterns (Asoro, 2002). In an economic sense, one's lifestyle represent the way one has chosen to allocate income both in terms of relative allocation to different products and services and to specific alternatives within these categories. It is a state of who one is in a society or who one is not (Solomon, 1996). Patterns of consumption based on lifestyle are often composed of many ingredients that are shared by others in similar social or economic circumstances.

Last but not least is age and stage in the lifecycle, which is also a demographic variable that influences consumer behavior. According to Solomon (1996), the era in which a consumer is born creates for that person a cultural bond with the millions of others born during the same period and as such age becomes a variable that influences the behavior of consumers. As the consumer grows older, their needs and preferences change often in unison with others who are close to their own age. Marketers often target products and services to one or more specific age groups and even craft messages and use media that that will reach the specific groups. Asoro (2002) notes that consumption is shaped by the stage in the family lifecycle. A fresh graduate would be satisfied with a Toyota Corolla. On promotion and after getting married, he would need a much bigger car. As the C.E.O of a company, a couple of years later, a Mercedes Benz would best reflect his status and achievement in the corporate world

2.4.4 Social factors

A family is the most important consumer buying organization in society and it constitutes the most influential social factor that influences consumer behavior (Kotler, 2000). It is a group of two or more persons related by blood, marriage or adoption, and residing together as a household (Lawson et al. 1996). Since the family is a crucial decision-making unit, the interaction between family members is likely to be more significant than those of smaller groups, such as friends or colleagues (Lee and Marshall, 1998). Family influence involves actions by family members that make a difference during the decision process. Two major types of influence have been identified: direct influence which is based directly on the decision maker's own needs and indirect influence in which the decision maker takes other family members' needs indirectly into account (Beatty and Talpade, 1994).

Apart from the family, we have reference groups, which serve as a point of comparison for an individual in forming either general or specific values, attitudes or behavior (Auma, 2004). They are people to whom an individual looks as a basis for self-appraisal or as a source of personal standards (Schiffman and Kanuk, 2000). Kibera and Waruingi (1998) note that reference groups serve as a model for an individual's behavior and as a frame of reference for decision making. Antonides and Vanraaj (1998) define a reference group as a group of people that an individual refers to for comparison when making judgments about his or her own circumstances, attitudes and behavior.

Consumers are influenced through word-of-mouth communication between group members especially those considered as opinion leaders (Assael, 1998). They can either have a direct or an indirect influence on a person's attitudes or behavior. One can therefore belong to membership group, which can either be primary (e.g. family, friends, neighbors and co-workers) or secondary groups (e.g. religious, professional and trade union groups). There is also the aspirational reference group, which is usually composed of idealized figures such as successful business people, athletes who consumers look up to. Reference groups expose an individual to new behaviors and lifestyles. They influence

attitudes and self-concept and also create conformity that may affect actual and brand choices.

Finally there is roles and status that reflect a person's position in different groups, family, clubs and organization. A role consists of activities a person is expected to perform according to the people around him or her while status is measured in terms of wealth (value of economic assets), power (influence over others) and prestige (the degree of recognition received from others) (Schiffman and Kanuk, 2000). Each role carries a status reflecting the esteem to it by society. A Managing Director may drive a Mercedes Benz While a Middle Level Manager may drive a Nissan Sunny.

2.4.5 Cultural factors

Culture, subculture and social class are cultural factors that are very important in buying behavior. Culture is the fundamental determinant of a person's wants and behavior (Kotler, 2000). It is defined as the sum total of learned beliefs, values and customs that serve to direct the consumer behavior of a particular society (Cravens, 1996). A growing child acquires a set of values, perceptions, preferences and behavior through his or her family and other key institutions. As an individual growing up, a child is influenced by their parents, brothers, sister and other family members who may teach him what is wrong or right. They learn about their religion and culture, which helps them develop opinions, attitudes and beliefs.

Schiffman and Kanuk (2000) argue that culture exists to satisfy the needs of the people within a society. It offers order, direction and guidance in all phases of human problem solving by providing true and tried methods of satisfying psychological and social needs. Culture defines and prescribes acceptable behavior which are usually not specific but general in nature. It approves a range of acceptable behaviors e.g. it prescribes that we should respect our elders, we should not drink alcohol, we should love our country and so on.

Each culture consists of smaller subcultures, which are distinct cultural groups that exist as identifiable segments within a larger, more complex society (Solomon, 1996). Berkowitz et al (1989) on the other hand argue that sub culture is defined by subgroups within the larger culture with unique values, ideas and attitudes. Kotler (2000) notes that subculture include nationalities, religion, racial groups and geographical regions. Many subcultures make up important market segments and marketers often design products and marketing programs tailored to their needs. Sub-cultural influences are most apparent for food products, clothing, beauty products and household items. In Kenya four types of subcultures can be distinguished: ethnic groups (e.g. the Maasai, Kikuyu and Luo); Religious groups (e.g. Christians, Muslims and Hindu); race (e.g. Africans, Asians and Whites); geographical subcultures (e.g. Coast, Mountain, Nairobi and Western regions)

Human societies exhibit social stratification, which sometimes takes the form of a caste system where members of different caste system are reared for certain roles and cannot change their caste membership (Kotler, 2000). More frequently it takes the form of social classes, which refer to an open aggregate of people with similar social ranking (Kibera and Waruingi, 1998). They are defined by broad consumer groupings according to its degree of prestige and power in a society. The definitions can be by income, occupation and education, where the most common way to categorize social classes is upper, upper middle, lower middle and lower categories (Assael, 1998).

According to Kohn et al (1990), occupation is the best single predictor of social class and is often sufficient to estimate a family's class. It is a good predictor of social class because varying levels of status and respect accrue to different jobs. It is not so much the status that affects attitudes and behavior, as the work itself. Higher status occupations are defined in terms of ownership, control of the means of production and control over the labor power of others.

Education is related to social class because it is closely correlated with occupation, but there are behavioral implications for education that go beyond this relationship. Education affects consumer information processing and decision-making. This is true, in part, because more educated consumers tend to be more knowledgeable of market forces and opportunities (Assael, 1998). Knowledge is related to consumer comprehension and to the extent that consumers have varying levels of knowledge and comprehension, they are likely to behave differently in their decision processes (Bettman and Sujan, 1987).

Income affects buying behavior in terms of the amount, types and prices of products purchased. The amount of pre-purchase information-seeking activity may be related to income, with high income consumers putting more effort into information search than low income consumers (Urbany, 1986). People across social strata tend to exhibit characteristically differentiated psychological and behavioral patterns. Variations in education, attitudes, values, communication style, etc. across social class levels could be expected to lead to variations in consumer information processing and decision-making styles within and across social strata (Fisher, 1987).

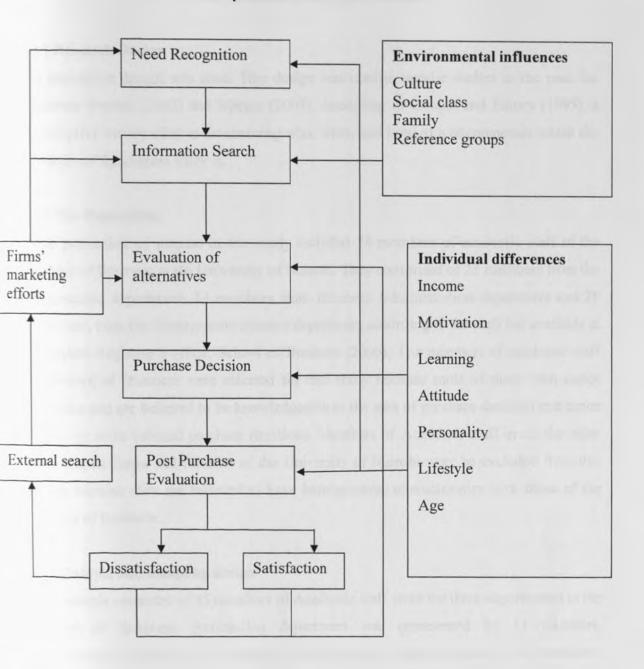
Persons within each social class tend to behave more alike than persons from different social classes and are perceived as occupying inferior or superior positions according to their social class and can move from one social class to another (up or down) during their lifetime. They show distinct product and brand preferences in many areas including clothing, home furnishings, leisure activities and automobiles. Social class is used as a basis for identifying and reaching particularly good prospects for products and services. Consumers in different social classes approach the buying situation differently, with decision agendas leading to predictable variations in relative evaluative criteria importance across classes. Companies for items such as financial investments, expensive cars, and evening wear target upper class. Middle class represent a target market for home improvement centers and automobile parts stores. Lower class is targeted for products packaged in small quantities.

2.5 Summary of the Literature review

Buying behavior does not begin or end at the instant a customer commits money in exchange for goods or services. Any purchase involves a process that begins when a consumer starts to recognize a need or desire for a product and it is not complete until the

consumer possesses the product and has evaluated its utility which can be long after the act of exchange (Lazer and Culley, 1983). Major factors affecting consumer behavior have continuously impacted on the purchase decision process so that the way of doing business has continuously evolved. It is therefore imperative that marketers understand factors influencing consumer behavior and the decision making process and their probable response to marketing stimuli.

Figure 2: Summary of the purchase decision process and factors that influence purchase decision



Source: Author

CHAPTER THREE RESEARCH METHODOLOGY

3.1 Research Design

A descriptive design was used. This design was used in similar studies in the past, for instance Swaleh (2002) and Njenga (2003). According to Cooper and Emory (1995), a descriptive survey aims at determining who, what, and how of a phenomenon which the concern of the current study is.

3.2 The Population

The population of interest in this study included 78 members of academic staff of the School of Business at the University of Nairobi. They comprised of 25 members from the Accounting department, 33 members from Business Administration department and 20 members from the Management Science department according to the staff list available at Assistant Registrar's office, School of Business (2006). The members of academic staff at School of Business were selected for this study because most of them own motor vehicles and are believed to be knowledgeable in the area of purchase decision and hence likely to make rational purchase decisions. Members of Academic staff in all the other schools, institutes and faculties of the University of Nairobi were be excluded from this study because they are believed to have homogeneous characteristics with those of the School of Business.

3.3. Sample and sampling design

The sample consisted of 35 members of Academic staff from the three departments in the School of Business. Accounting department was represented by 11 members. Management Science by 9 members and Business Administration by 15 members. Proportionate stratified random sampling technique was used where members were selected from the three departments in the School of Business. They were grouped according to their respective departments and then non-randomly selected using the convenience sampling technique.

3.4 Data Collection

Primary data was collected using questionnaires that had both open and closed questions. The questionnaire was administered on a drop and pick later basis. It was divided into three parts. Part A contained questions aimed as obtaining demographic profiles of the respondents. Part B had questions aimed as determining the extent to which various factors influence motor vehicle purchase decision by the respondents while part C had questions aimed at determining the stages that the respondents go through in the purchase decision process.

3.5 Data Analysis

Descriptive statistics were used to analyze data. In part A of the questionnaire, data was analyzed using frequency distribution and percentages. Data in part B and C was analyzed using mean scores and standard deviation. Mean Scores were used to determine the extent to which different factors influenced the purchase decision of motor vehicles by the respondents. Standard deviations were used to determine the varying degrees of the difference in which the different factors influenced the purchase decision of motor vehicles.

3.6 Operationalisation of variables

Several factors influence consumers' purchase decision and they go through different stages in the purchase decision process. Appendix ii shows the operational dimensions of factors that influence the purchase decision while appendix iii shows the various stages in the purchase decision process.

CHAPTER FOUR DATA ANALYSIS AND RESEARCH FINDINGS

4.1 Introduction

This chapter is divided into three sections related to the main objectives of the study. The first section captures and analyzes the demographic profiles of the respondents. The second section presents the factors that influenced the purchase of motor vehicles while the third section analyzes different stages through which the respondents go through and the various influences in those stages. In this study 35 respondents were interviewed, randomly picked from the three departments in the School of Business at the University of Nairobi and 28 responded. This accounted for an 80% response rate.

After being filled in by the respondents, the questionnaires were edited and coded. Data was analyzed using frequency distributions, percentages, mean scores and Standard deviations. Mean scores were used to determine the extent to which various factors influenced the purchase decision of respondents, on a five point likert scale ranging from "Very large extent" (5) to "No extent" (1) as well as on dichotomous "yes" or "no" questions. Standard deviations were used to determine the varying degrees of the difference in which the factors influenced the respondents in their purchase decision of motor vehicles.

The scores "No extent" and "small extent" represented a factor considered to a "Small Extent" (SE), equivalent to 1 to 2.5 on the continuous likert scale (1\leq SE\leq 2.5). The scores of "Moderate extent" represented a factor considered to a "Moderate extent" (ME). This was equivalent to 2.6 to 3.5 on the likert scale (2.6\leq ME\leq 3.5). The score of "Large Extent" and "Very Large extent" represented a factor considered to a "Large extent" (LE). This was equivalent to 3.6 to 5.0 on the likert scale (3.6\leq LE\leq 5.0).

4.2 Demographic profiles of the Respondents

This section looks into the demographic profiles of the respondents to enable us understand the scope of the study and draw relevant conclusions in line with the research objectives. It analyses the age, income level, gender, education level and marital status of the respondents.

4.2.1 Age profiles of the respondents

Table 1: Age profiles of the respondents

Age (Years)	Frequency	Percentage
31-40	7	25.0
41-50	11	39.3
51-70	8	28.6
Above 70	2	7.1
Total	28	100.0

Source: Response data

The age profile of respondents was wide and varied. Most respondents were the ages of between 41-50 years constituting 39.3%. 31-40years comprised 25.0%. Respondents between 51-60 comprised 28.6%. The least respondents came from age group 61 years and above accounting for 7.1%.

4.2.2 Income of the Respondents

Table 2: Income of the Respondents

Income (Kshs)	Frequency	Percentage
100001-200000	17	60.7
Above 200000	11	39.3
Total	28	100.0

Source: Response data

The highest number of respondents came from the class that earned between Kshs 100,000 and 200,000 which contributed to 60.7% of the respondents. The lowest income (above 200,000) earners constituted 39.3% of the respondents.

4.2.3 Education level of the respondents

Table 3: Education level of the respondents

Level of education	Frequency	Percentage
Masters	23	82.1
Doctorate	2	7.1
Post doctorate	3	10.7
Total	28	100.0

Source: Response data

In sequence with the above Table, the highest number of respondents came from those with Masters degree which constituted 82.1% of the respondents followed by post doctorate holders whose proportion was 10.7% of the respondents. The least representation came from those with doctorate degrees with 7.1%

4.2.4 Gender of the Respondents



Table 4: Gender of the Respondents

Gender	Frequency	Percentage
Male	23	82.1
Female	5	17.9
Total	28	100.0

Source: Response data

From the above analysis, it is clear that majority of the respondents were male constituting 82.1% while the female respondents constituted the rest (17.9%)

4.2.5 Marital status of the respondents

Table 5: Marital status of the respondents

Marital status	Frequency	Percentage
Single	1	3.6
Married	27	96.4
Total	28	100.0

Source: Response data

Majority of the respondents were married which constituted 96.4% of the respondents. The single respondents constituted the rest (3.6%).

4.2.6 Engine capacity of the respondents' vehicles

Table 6: Engine capacity of the respondents' vehicles

Engine capacity	Frequency	Percentage
1000-2000 сс	14	50.0
2000-3000 сс	10	35.7
3000-4000 сс	4	14.3
Total	28	100.0

Source: Response data

From the above analysis most of the respondents own vehicles that carry between 1000-2000cc engine capacity which is represented by 50%. This was followed by those with vehicles between 2000-3000cc engine capacity represented by 35.7%. The least representation was those with vehicles that carry between 2000-3000cc, which had 14.3%.

4.3 Factors influencing the purchase decision of respondents

The purpose of this analysis was to establish the relative importance of each of the psychological, personal, social, cultural and marketing factors in influencing the purchase decision of motor vehicles by the respondents. The results revealed both the most and the least factors and the degree of variability in their influence on the respondents in their purchase decision of motor vehicles.

4.3.1 Psychological factors

Consumers are influenced by different psychological factors when making purchase decisions. The respondents were therefore asked to indicate the extent to which various psychological factors influenced their purchase decision of motor vehicles.

Table 7: Psychological factors

Factor	Mean	Std. Deviation
Self esteem needs	2.2857	1.01314
Recognition	1.9643	1.03574
Status	2.2500	1.00462
Perception	3.2500	.58531
Experience with the model	3.1071	.78595
Beliefs about the features of the model	2.6071	1.10014
Beliefs about the company that manufactures the model	3.3214	.66964
Attitude towards the model	3.1071	.78595
Attitude towards the company that manufactures the model	3.3929	.68526

Source: Response data

Using the results above, it is clear that the psychological factor that was the most influential in the purchase decision was the respondents' attitudes towards the company that manufactures the model but it was to a moderate extent (M sc of 3.3929). Attitude towards the model and perception about the model were also influential to a moderate extent. The need for recognition was the least influential psychological factor (M sc of 1.9643). Status and self-esteem were also among the least influential factor in the purchase decision. The degree of influence differed significantly (Sd>1) for the need for self esteem, status, recognition and the beliefs about the features of the model. On the other hand the degree of influence did not differ significantly (Sd<1) for the perception

about the model, experience with the model and belief about the company that manufactures the model.

4.3.2 Personal factor

There are various personal factors that influence the purchase decision of consumers. The respondents were therefore asked to indicate the extent to which different personal factors influenced their purchase decision of motor vehicles

Table 8: Personal factors

Factor	Mean	Std. Deviation
Lifestyle	2.8571	.89087
Personality	3.0714	.76636
Age and stage in the lifecycle	2.8571	.93152
Professional organizations	2.1786	1.02030
Occupation	2.3571	1.06160
Disposable income	2.6429	1.02611
Ability to obtain loans	1.8214	.77237

Source: Response data

Personality (Msc of 3.0714) was the most influential personal factor in the purchase decision of motor vehicles by the respondents. Lifestyle, age and stage in the lifecycle were also influential to a moderate extent in the purchase decision. The least important personal factor that was considered by the respondents was the ability to obtain loans (economic factor) and professional organizations with a mean score of 1.8212 and 2.1786 respectively. The degree of influence differed significantly (Sd>1 for occupation, professional organizations and disposable income. Lifestyle, personality, and ability to obtain loans did not differ significantly (Sd<1) in their influence to the respondents' purchase decision.

4.3.3 Social factors

Various social factors are likely to influence the purchase decision of motor vehicles. The respondents were asked to indicate the extent to which different social factors influenced their purchase decision of motor vehicles.

Table 9: Social factors

Factor	Mean	Std. Deviation
Spouse	2.2143	1.13389
Children	1.6071	.73733
Parents	1.2500	.58531
Siblings	1.0357	.18898
Friends	2.9643	1.17006
Work colleagues	2.7143	.93718
Position in the society	2.8929	.95604
Position in the family	2.5714	.99735

Source: Response data

The table above shows that among the social factors, friends, work colleagues, respondents' position in the society and in the family (M sc of 2.9643, 2.7143, 2.8929, and 2.5714 respectively) had the greatest influence on their purchase decision. The least influence came from siblings (Msc of 1.0357). There was significant difference (Sd>1) on the influence of friends and spouses whereas the influence of siblings, parents and children was not significantly different (Sd<1).

4.3.4 Cultural factors

Different consumers are influenced by different cultural factors in their purchase decisions and in line with this the respondents were asked to indicate the extent to which various cultural factors influenced their purchase decision of motor vehicles.

Table 10: Cultural factors

Factor	Mean	Std. Deviation
Sense of achievement	2.1786	.86297
Sense of success	2.7500	.88715
Education level (Social class)	3.0000	1.01835
Disposable income (Social class)	2.6429	1.02611

Source: Response data

The respondents revealed that education (social class) was the most influential cultural factors in their purchase decision with a mean score of 3.0000. The sense of success and disposable income (social class) moderately influenced the respondents' purchase decision while the least factor was the sense of achievement (Msc of 2.1786). The influence of social class (education and disposable income) varied significantly (Sd>1) among the respondents whereas there was no significant difference (Sd<1) on the influence of the sense of achievement and success.

4.3.5 Marketing efforts

Companies use different marketing stimuli to influence purchase decisions of their consumers. The respondents were therefore asked to indicate the extent to which different marketing factors influenced their purchase decision of motor vehicles.

Table 11: Marketing efforts

Factor	Mean	Std. Deviation
Price of the model	4.1786	.86297
Fuel consumption	3.6786	.72283
Flexibility of payment	1.8214	.77237
Discount offered	1.1429	.44840
Mode of payment	1.9286	.76636
Efficiency	3.7857	.87590
Size	3.1071	.91649
Comfort	3.5714	.69007
Speed	2.6429	.98936
Availability of spare parts	3.5357	.83808
Dealer accessibility	3.3929	.95604
Influence of advertising	2.4286	.83571
Persuasion by the sales person	1.5714	.74180
Show room display	2.2500	.58531
Motor show exhibition	1.8571	.84828

Source: Response data

The above table shows that the price of the model (Msc of 4.1786) was the most influential marketing factor that influenced the respondents purchase decision. Fuel consumption, availability of spare parts, efficiency and comfort of the model also influenced the respondents' purchase decision to a large extent. The least influential of the marketing factors was discounts offered (Msc of 1.1429). Speed of the model, advertising and show room display influenced the respondents to a moderate extent.

There was no significant difference (Sd<1) on the influence of all the marketing factors among the respondents.

4.4 Stages in the purchase decision process

The purpose of this analysis was to establish the stages from need recognition to post purchase behavior in the purchase decision process of motor vehicles by the respondents and the various influencing factors in the different stages.

4.4.1 Need Recognition

A need can be triggered by internal or external stimuli or both and the respondents were therefore asked to indicate the extent to which different stimuli triggered the need for a motor vehicle.

Table 12: Need Recognition

Factor	Mean	Std. Deviation
Need for mobility	3.8929	.87514
Advertisement of the model	1.8571	.80343
Neighbor's similar model	1.1786	.39002
Colleague's similar model	1.5714	.63413
Display in a show room	1.7500	.70053

Source: Response data

Need recognition by the respondents was mostly triggered by the need for mobility with a mean score of 3.8929. This was followed by advertisement of the model to a moderate extent. The least factor that triggered the need recognition was a neighbor's similar model with a mean score of 1.1786. All the factors that triggered the need recognition did not differ significantly (Sd<1) among the respondents.

4.4.2 Information search

Consumers interested in purchasing motor vehicles are likely to search for information from different sources. The respondents were therefore asked to indicate the extent to which they searched for information from different sources.

Table 13: Information search

Source	Mean	Std. Deviation
Family	1.7500	.70053
Friends	2.8929	.83174
Neighbors	1.1429	.35635
Advertisement	1.8929	.78595
Salesperson	1.3571	.55872
Showroom display	2.0000	.47140
Motor show exhibition	1.5000	.69389
Mass media	1.6786	.81892
Consumer organizations	1.3214	.47559
Testing and using the model	3.1071	.91649
Driving the model	3.8929	1.13331

Source: Response data

It is clear that most of the respondents got information about their models from driving, testing and using the model with a mean score of 3.8929 and 3.1071 respectively. Showroom displays and friends were moderately used as a source of information whereas neighbors (Msc of 1.1429) were least used as information sources. There was significant difference (Sd>1) on the extent to which respondents used driving the model as a source of information. All the other sources reported no significant difference (Sd<1) on the extent to which the respondents used them as sources of information.

4.4.3 Evaluation of alternatives

Different attributes are important to consumers in evaluating the alternatives available in the market and the respondents were asked to indicate the extent to which different attributes were important in evaluating different models of vehicles in the market.

Table 14: Evaluation of alternatives

Attribute	Mean	Std. Deviation
Speed	2.3571	.78004
Comfort	3.6071	.56695
Price	4.0357	.83808
Size	3.0000	.81650
Availability of spare parts	3.1786	.81892
Fuel consumption	4.0357	.88117
Maintenance cost	4.4643	.63725

Source: Response data

Maintenance cost was rated as the important attribute considered by the respondents when evaluating their purchase alternatives and it influenced the respondents to a large extent (Msc of 4.4643). It was followed closely by fuel consumption and price of the model whose influence were also to a large extent. The least considered attribute was the speed of the model whose influence was to a small extent (Msc of 2.2357). Availability of spare parts, comfort and size of the model were also considered but to a moderate extent. All the attributes considered during the evaluation of alternatives did not differ significantly (Sd<1) on their extent of influence among the respondents.

4.4.4 Purchase decision

During the actual purchase situation, consumers are likely to be influenced by various factors to actually make or not make a certain purchase. The respondents were asked to indicate the extent to which different factors influenced their purchase decision.

Table 15: Purchase decision

Situation	Mean	Std.Deviation
Motivation to comply with other people's wish	1.2143	.49868
Attitude of family and friends about the model	2.0714	.46576
Unexpected cash inflow	1.1786	.47559
Emergence of a more urgent need	1.4643	.57620
Loss of a job	1.0000	.00000
Death of a relative	1.0000	.00000

Source: Response data

During the purchase decision stage, the attitude of family and friends had the most impact on the decision made by the respondents with a mean score of 2.0714. Motivation to comply with other people's wish, unexpected cash inflow, and the emergence of a more urgent need also influenced the purchase decision but to a small extent. Loss of a job and death of a relative had no influence on the purchase decision (M sc of 0.0000). There was no significant difference (Sd<1) on the extent of influence of the above factors.

4.4.5 Satisfaction or dissatisfaction

After using a product, consumers will either be satisfied or dissatisfied. The respondents were therefore asked to indicate whether they were satisfied or dissatisfied with their models of motor vehicles

Table 16: Satisfaction or dissatisfaction

State	Frequency	Percentage
Satisfied	26	92.9
Dissatisfied	2	7.1
Total	28	100.0

Source: Response data

According to the Table above, it is clear that majority of the respondents (82.1%) were satisfied with their models while the rest (17.9%) were dissatisfied.

4.4.6 Post satisfaction action

A satisfied customer is likely to take different actions. The satisfied respondents were therefore asked to indicate whether they took specific actions

Table 17: Post satisfaction action

Frequency	Percentage
21	80.8
8	30.8
	Frequency 21 8

Source: Response data

The Table above shows that of all satisfied respondents, 80.8 % recommended the model to another person whereas 30.8 % repurchased another model from the same manufacturer.

4.4.7 Post dissatisfaction action

A dissatisfied consumer is likely to take different actions. The dissatisfied respondents were therefore asked whether they took various actions

Table 18: Post dissatisfaction action

Action	Frequency	Percentage
Took legal action against the manufacturer	0	0
Stopped buying products from the manufacturer	2	100
Grumbled to friends and relatives	2	100
Complained through the mass media	0	0
Complained directly to the manufacturer	0	0

Source: Response data

All of the of the dissatisfied respondents (100%) stopped buying products from the same manufacturer and also grumbled to friends and relatives about their experience with the model. None (0%) of the dissatisfied respondents took legal action against the manufacturer, complained through the mass media or complained directly to the manufacturer.

CHAPTER FIVE

DISCUSSION, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter gives a brief summary of findings as well as conclusions gathered from the analysis of the findings.

5.2 Discussion

The motor vehicle industry is composed of the new vehicle business and the second hand and reconditioned vehicle business. Because of the realities of the changing business environment, motor vehicle industry players are using various marketing techniques to keep pace with the changing economic environment that has seen an influx of second hand cars being imported into the Kenyan motor vehicle industry and a more aware consumer market. This has compelled motor vehicle companies to seek ways of understanding the purchase behavior of their customers in order to enhance their competitiveness in the market.

The study revealed that the most influencing factor in the purchase of motor vehicles by the respondents were fuel consumption, price, comfort, efficiency, availability of spare parts, perception about the model, dealer accessibility, beliefs and attitudes towards the company that manufactures the model. The least influencing factors were children, siblings, parents, discounts offered, influence by the salesperson, flexibility of payment and ability to obtain loans.

Need for mobility was the most triggering factor for need recognition. The most used source of information was driving the model whereas maintenance cost was the most important attribute while evaluating alternatives. The study also revealed that attitude of family and friends about the model of the vehicle was the most influencing factor during the purchase of the vehicle

Most of the vehicle owners were satisfied with their current model and they recommended the same to another person whereas all of the dissatisfied vehicle owners grumbled to friends and relatives and also stopped buying products from the manufacturer. Neither of the dissatisfied respondents took legal action against the manufacturer, complained through the mass media or complained directly to the manufacturer.

According to Lazer and Culley(1983), any purchase involves a process that begins when a consumer starts to recognize a need or desire for a product and it is not complete until the consumer possesses the product and has evaluated its utility which can be long after the act of exchange. Schiffman and Kanuk (2000) on the other hand note that the cumulative impact of each firm's marketing efforts, the influence of family, friends, neighbors and the society's code of behavior are all inputs that are likely to affect what consumers purchase and how they use what they buy. The psychological factors that represent the internal influences (motivation, perception, learning and attitudes) affect consumer decision making process.

This study has therefore established that consumers go through different stages in their purchase decision process and are also influenced by different factors in the process.

5.3 Conclusion

The study was aimed at determining the factors that influences the purchase of motor vehicle and the stages involved in the purchase of motor vehicles.

The findings revealed that the decision to purchase a particular model of vehicle was influenced mostly by the marketing factors and specifically the product and the price of the model. It also revealed that most of the motor vehicle owners are influenced by the need to be mobile and that other people have less influence on the model of vehicles that they purchase.

LIMITATIONS OF THE STUDY

The study was inhibited by a number of ways. First, some of the respondents were not available and locating them was difficult. The use of drop and pick questionnaires affected the response rate as some of the respondents forgot about them.

SUGGESTIONS FOR FURTHER RESEARCH

There is an opportunity for further research especially on other factors that influence the purchase of motor vehicles apart from the ones that were discussed in the study. A study could be done on factors that influence the purchase of commercial vehicles as this study was only focused on personal vehicles

REFERENCES

Aaker, J. L. (1999), "The malleable self: the role of self-expression in persuasion", Journal of Marketing Research, Vol. 36 No.2, pp.45-57

Antonides, G. and Vanraaj, F. W. (1998), Consumer Behaviour: A European Perspective, Wiley, Chichester

Asoro, B. O. (2003), An assessment of field value elements: The case of Nissan Primera, Unpublished Research project, University of Nairobi

Assael, H. (1998), Consumer Behavior and marketing action, 6th edition. Southwestern college publishing, USA

Auma, O. A. (2004), Determinants of consumer choice of milk brands in Kenya.
Unpublished MBA research project, University of Nairobi

Babin, B. J., Darden, W. R. and Griffin, M. (1994), "Work and/or fun: measuring hedonic and utilitarian shopping value", **Journal of Consumer Research**, Vol. 20 No.March, pp.644-56

Beatty, S. E. and Talpade, S. (1994), "Adolescent influence in family decision making: a replication with extension". **Journal of Consumer Research**, Vol. 21 No.September, pp.332-40

Berkowitz, E. N., Kevin. A. R., Hartley, W. S., and Rudelius, W. (1994), Marketing Management, 4th edition, Richard D. Irwin Inc.

Bettman, J. R. and Sujan, M. (1987), "Effects of framing on evaluation of comparable and non-comparable alternatives by expert and novice consumers", Journal of Consumer Research, Vol. 14 pp.141-54

Cravens, D. W., Hills G. E. and Woodruff, R. B. (1996), Marketing Management, Richard D. Irwin, Inc, USA

D. T Dobie Newsletter (August, 2000)

Engel, F. J., Blackwell, R. D. and Kollat, T. D. (1978), Consumer Behavior, 3rd edition. Dryden Press, Illinois

Fisher J. E. (1987), "Social class and consumer behavior: the relevance of class and status", Advances in Consumer Research, Vol. 14 pp.492-6

Ferrel, O. (1983), Fundamentals of marketing, Houghton Mifflin company, Boston

Hatirli, S. A., Ozkan, B. and Aktas, A. R. (2004), "Factors affecting fluid milk purchasing sources in Turkey", **Journal on Food quality preference**, Vol.15 issue 6 pg 506

Heath, A. P. and Scott, D. (1998), "The self-concept and image congruence hypothesis: an empirical evaluation in the motor vehicle market", European Journal of Marketing, Vol. 32 No.11/12, pp.1110-23

Hutt, M. D. and Speh, T. W. (1984), "The marketing strategy center: diagnosing the industrial marketer's interdisciplinary role", Journal of Marketing, Vol. 48 pp.53-61

Jobber, D. (2001), Principles and Practice of Marketing, 3rd edition, McGraw-Hill, London.

Kenya Motor Industry Newsletter (2000)

Kibera, F. N. and Waruingi, B. C. (1998), Fundamentals of Marketing: An African perspective, Kenya Literature Bureau, Nairobi

Kohn, M. L., Naoi, A., Schoenbach, C., Schooler, C. and Slomczynski, K. M. (1990), "Position in the class structure and psychological functioning in the United States, Japan, and Poland", American Journal of Sociology, Vol. 95 pp.964-1008

Kotler, P. (2000), Marketing Management, International edition, Prentice Hall, Upper Saddle River, New Jersey

Lawson, R., Tidwell, P., Rainbird, P., Loudon, D. and Bitta, A. (1996), Consumer Behaviour in Australia and New Zealand, McGraw-Hill Book Company, Sydney

Lazer, W. and Culley, D. J. (1983). Marketing Management: Foundations and practices, Houghton Mifflin Company, USA

Lee, C. K. and Marshall, R. (1998), "Measuring influence in the family decision making process using an observational method", Qualitative Market Research: An International Journal, Vol. 15 No.March, pp.88-98

Loudon, D. L. and Bitta, A. J. (1979), Consumer behavior: concepts and applications, Mc Graw Hill, New York

Magadi, M. A. and Curtis, S. (2003), Trends and determinants of contraceptive method choice in Kenya, Dublin Core Matadata

Maslow, A. H. (1971), The Farther Reaches of Human Nature, Viking, New York

Mburu, R. I. (2001). The impact of perceived quality on brand choice: A case of soft drinks, Unpublished MBA research project, University of Nairobi

McCarthy, J. (1991), Essentials of Marketing. 5th edition, Irwin Publishers

Mohammed, M. A. (1995), An investigation into the effects of reconditioned and used imported motor vehicle on the marketing mix of franchise and subsidiary motor vehicle companies in Kenya. Unpublished MBA research project, University of Nairobi

Njenga, J. W. (2003), Factors that influence the purchase of life assurance by Academic staff of University of Nairobi. Unpublished MBA research project, University of Nairobi

Nyaga, M. W. (1989), An investigation of the family purchase decision process. Unpublished MBA research project, University of Nairobi

Omondi, G. (1988), A study of the operations of the Kenya Motor Insurance pool. Unpublished MBA research project, University of Nairobi

Ross, J. and Harradine, R. (2004), "I'm not wearing that!: branding and young children", Journal of Fashion Marketing and Management, Vol. 8 No.1, pp.11-26

Schiffman, L. G. and Kanuk, L. L. (2000), Consumer behavior, Prentice Hall Inc, New Jersey

Sheth, J. N. and Parvatiyar, A. (1995), "Relationship marketing in consumer markets: antecedents and consequences", **Journal of the Academy of Marketing Science**. Vol. 23 No.4, pp.255-71

Solomon, M. R. (1996), Consumer Behavior, 3rd edition, prentice hall international, USA

Stanton, J. W., Etzel, M. J. and Walker, B. J. (1994), Fundamentals of marketing, 10th edition, Mc-graw hill USA

Urbany, J. E. (1986), "An experimental examination of the economics of information", Journal of Consumer Research, Vol. 13 pp.257-327

Zikmund, G. W., and D'Amico, M. (1995), Effective marketing: Creating and keeping customers. West-publishing company, USA

Appendix i:

LETTER OF INTRODUCTION

Kamiru Joseph Mwangi, School of Business, University of Nairobi, P.O Box 30197, Nairobi.

July__, 2006

Dear Respondent,

RE: COLLECTION OF SURVEY DATA

I am a postgraduate student at the University of Nairobi at the School of Business. In partial fulfillment of the Master of Business Administration (MBA), I am undertaking a management research on "The purchase decision of motor vehicle by the Academic staff of the School of Business at the University of Nairobi"

You have been selected to form part of this study. This therefore, is to kindly request you to assist me to collect the data by filling out the accompanying questionnaire. The information provided will be exclusively for academic purposes, and it will be treated with strict confidence, at no time will your name appear in my report.

Your cooperation is highly appreciated.

Yours faithfully,

Kamiru J.M

M. Ombok

(Student)

(Lecturer/supervisor)

Appendix ii

OPERATIONALISING FACTORS INFLUENCING PURCHASE DECISION

Factors influencing purchase decision	Extended definition	Relevant issues	Relevant questions
	Motivation	- Need for esteem, status, recognition	9(i, ii iii)
	Perception	How the respondents see the brand	9(iv)
Psychological	Learning	- Experience with the model	9(v)
Beliefs attitudes		 Thoughts about the model Thoughts about the company Country of origin of the model 	9(vii, viii, ix, x)
Personal factors	Personality	- Association of personal traits with the brand	9(xi)
	Lifestyle	- Association respondents, routine activities with the brand	9(xii)
	Age and stage in the lifecycle	BachelorMarried with no childrenMarried with children	9(xiii)
	Occupation and economic circumstances	Seniority in the workplaceDisposable incomeAbility to obtain loans	9(xxiv,xxv, xxvii, xxviii)

Factors influencing purchase decision	Extended definition	Relevant issues	Relevant questions
	Reference groups	Influence of direct reference	9(xiv, xv xvi,
		groups	xvii, xviii,
		- Family	xix)
		- Friends	
		- Neighbors	
		- Co-workers	
		Influence of indirect	9(xxiv)
		reference groups	
		- Professional organizations	
Social factors		- Opinion leaders	
	Family	- Influence of family of	
		orientation (Parents and	9(xvi, xvii)
		siblings)	
		- Influence of family of	9(xiv, xv)
		procreation (Spouse and	
		children)	
	Roles and status	- Position held in society,	9(xxii, xxiii)
		family, clubs and the	
		workplace	
Cultural factors	Culture	Values- achievement,	9(xx, xxi)
		success	
	Social class	- Education levels	9(xxvi,
		- Income	xxvii, xxv)
		- Occupation	
	Product	- Size	9(xxxv,
		- Comfort	xxxvi,
Marketing efforts		- Speed	xxxvii, xxx
		- Fuel consumption	xxxiv)
		- Efficiency	

Factors influencing purchase decision	Extended definition	Relevant issues	Relevant questions
	Price	- Price - Flexibility of payment - Discount - Mode of payment	9(xxix, xxxi, xxxii, xxxiii, xxxiiii,)
	Place	- Availability of spare parts - Dealer accessibility	9(xxviii, xxix)
	Promotion	- Showroom displays - Influence of advertisements - Motor show exhibitions	9(xL, xLi, xLii, xLii, xLii, xLii, xLiii)
		- Persuasion by sales people	

Appendix iii

OPERATIONALISING STAGES IN THE PURCHASE DECISION PROCESS

Stage in the	Extended	Relevant issues	Relevant
purchase decision process	definition		questions
Need recognition	Internal stimuli	-Desire to own a motorvehicle	10(a)
	External stimuli	-Showroom display -Advertisement on television/ newspaper/internet/magazines -Neighbors car	10(b, c, d, e)
Information search	Personal sources	-Family -Friends -Neighbors -Acquaintances	11(a, b, c)
	Commercial	-Advertising -Sales person -Dealers -Displays	11(d, e, f, g)
	Public sources	-Mass media -Consumer organizations	11(h,i)
	Experiential sources	-Examining the model -Driving the model	11(j, k)
Evaluation of alternatives	Product attributes	-Size -Comfort -Price -Speed -Availability of spare parts -Fuel consumption -Maintenance cost	12(i- vi)

suge in the purchase incision process	Extended definition	Relevant issues	Relevant questions
luchase lucision	Attitude of others	-Motivation to comply with another persons wish -Another person's attitude towards the brand	13(i, ii)
	Unanticipated situational factors	-Unexpected cash inflow -Emergence of a more urgent need -Loss of a job -Death of a relative	13(iii, vi)
First purchase behavior	Post purchase satisfaction	-Repurchase or intention to repurchase brands from the same manufacturer -Recommend the brand to others	14 {(b)i-iii}
	Post purchase dissatisfaction	-Stopped purchasing brands from the same manufacturer -Warned others about purchasing brands from the manufacturer -Grumbled to friend about the brand -Took legal action against the manufacturer Complained about the product through the media -Complained directly to the manufacturer	

Appendix iv:

QUESTIONNAIRE

This questionnaire part has three parts. Part A is aimed at giving a profile of the respondents. Part B attempts to gauge the extent to which various factors influence motor vehicle purchase decision by the respondents. Part C tries to determine the decision process that the respondents go through during the purchase decision process.

PART A

1.Name of the respondent
2. Please, indicate your marital status
Single [] married []
3. What is your highest level of education?
Masters degree []
Doctorate degree []
Post doctorate qualification []
4. What is your gender?
Male [] female []
5. Please, tick the age bracket in which you belong?
Below 30 [] 31-40 [] 41-50 []
51-70 [] 70 and above []

indicate

PART B

9. Please indicate (by ticking) the extent to which the factors listed below influenced the purchase decision of your motor vehicle on a scale of 1 - 5 (Where I-No extent, 2 Small extent, 3-Moderate extent, 4- Large extent, 5-Very large extent)

No.	Factor	(1) No extent	(2) Small extent	(3) Moderate extent	(4) Large extent	(5) Very large extent
i	Desire to satisfy the self esteem needs					
ii	Desire for recognition					
iii	Desire to have status					
iv	Perception about the model					
V	Experience with the model					
vi	Belief(s) about the features of the model					
vii	Belief(s) about the company that manufactures the model					
viii	Attitude towards the model					
ix	Attitude towards he company that manufactures the model					
x	The model represents who I am as a person					
xi	The model represent my way of life					
xii	Stage in my lifecycle(bachelor, married with or with no children,)					
xiii	Spouse					
xiv	Children					

No.	Factor	(1) No extent	(2) Small	extent	(3) Moderate	extent	(4) Large	extent	(5) Very	large extent
xv	Parents									
xvi	Siblings									
xvii	Friends									
xviii	Work colleagues									
xix	The model gives me a sense of achievement									
xx	The model gives me a sense of success									
xxi	My position in the society									
xxii	My position in the family									
xxiii	Professional organizations									
xxiv	My occupation									
xxv	Education level									
xxvi	Disposable income									
xxvii	Ability to obtain of loans									
xxviii	Price of the model									
xxix	Fuel consumption									
xxx	Flexibility of payment									
xxxi	Discounts offered									
xxxii	Mode of payment									
xxxiii	Efficiency of the model									
xxxiv	Size of the model									
xxxv	Comfort of the model									
xxxvi	Speed of the model									
xxxvi	i Availability of spare parts									
xxxvi	ii Dealer accessibility									

No.	Factor	(1) No extent	(2) Small extent	(3) Moderate	extent (4) Large	extent		large extent
xxxix	Influence of advertising						-	
xL	Persuasion by the sales person						1	
xLi	Showroom display							
xLii	Motor show exhibition							

	PAR	TC				
				11.0		
10. The need to own a motor vehicle	could b	e trigg	gered b	y diff	terent. Please indicate	e the
extent to which the following fac-	ctors trig	gered	your n	eed fo	or the motor vehicle	on a
scale of 1 – 5 (where 1-No exter	nt, 2-sma	ıll exte	nt, 3-n	noder	ate extent, 4- large ex	xtent
and 5-Very large extent)						
, ,	1	2	3	4	5	
(a) Need for mobility			[]			
(b) Advertisement of the model	[]	[]	[]	[]	[]	
(c) A neighbor's similar model	[]	[]	[]	[]	[]	
(d) A Colleague's similar model	[]	[]	[]	[]	[]	
(e) A display in a show room	[]	[]	[]	[]	[]	
Any other situation (Please specify)						
,						

The After a need has been recognized, a	C	onsu	ıme	r m	ay	sea	rci	ı for	in	formation about a	
product from different sources. Ple	as	e in	dic	ate	the	e ex	tei	nt to	w	hich you searched	for
information from the following so	urc	ces (on	a sc	ale	e of	. 1	- 5	(X	Where I-No evient	2
Small extent, 3-Moderate exten	t,	4-	La	rge	е	xte	nt	and		S-Very large extent	ent)
		1		2				4			
(a) Family	[]]			
(h) Friends	[]	[]	[]]]]]	
(c) Neighbors	[]	[]	[J	[]]]	
(d) Advertisement]]	[]	[]	[]	[]	
(e) Salesperson	[]	[]	[]	[]]]	
(f) Show room display]]	[]	[]	[]	[]	
(g) Motor show exhibition	[J	[1	[]	[]	[]	
(h) Mass media	[]	[]	[]	[]	[1	
(i) Consumer organizations	[]	[]	[]	[]	[]	
(j) Testing and using the model	[]	[}	[]	[]	[1	
]	[]	[]	[]	[]	
Any other source (Please specify)											•

attributes. Please indicate the important when evaluating you							
Small extent, 3-Moderate exten							tem, 2-
	1	2	3	4 5			
(i) Speed			[][]		
(ii) Comfort	[]	[]	[][] []		
(iii) Price	[]	[]	[][] []		
(iv) Size	[]	[]	[][] []		
(v) Availability of spare parts	[]	[]	[]] []		
(vi) Fuel consumption	[]	[]	[]] []		
(vii) Maintenance cost	[]	[]	[]] []]		
Any other (please specify)	••••••	•••••	•••••	• • • • • • • •		• • • • • • •	• • • • • • •
13. After choosing your model, plea						_	
influenced your purchase decision extent, 3-Moderate extent, 4- La						ktent, 2	-Small
			1	2	3	4	5
(i) Motivation to comply with other p	peoples wis	h	[]	[]	[]	[]	[]
(ii) Attitude of family and friends reg	garding the	model	[]	[]	[]	[]	[]

12. When buying a motor vehicle, a consumer would evaluate the model using different

(iii) Unexpected cash inflow	[][]	[][]	[]
(iv) Emergence of a more urgent need	[][]	[][]	[]
(v) Loss of a job	[][]	[][]	[]
(vi) Death of a relative	[][]	[][]	[]
Any other (please specify)		•••••	
14. (a) After using your vehicle, were you satisfied wi	ith the model?	Yes	No
(b) A satisfied consumer is likely to take various is Yes, please indicate whether you took the			above
is res, prease indicate whether you took the	ionowing action	Yes	No
(i) Recommended the same model to another	person	[]	[]
(ii) Purchased another model from the same n	nanufacturer	[]	[]
(iii) Any other action (Please specify)	•••••		• • • • • •
(c) A dissatisfied consumer is likely to take va			to (a)
		Yes	No
(i) Complained directly to the Manufacturing	company	[]	[]
(ii) Complained about the model through the	media	[]	[]
(iii) Grumble to friends and relatives		[]	[]

(iv) Took legal action against the manufacturer if the model	11	[]
(v) Stopped buying products from the manufacturer	[]	[]
Any other (please specify)		

Thank you very much for your cooperation.