DETERMINANT ATTITUDE TOWARDS LUXURY BRANDS OF MOBILE SELECTION AMONG POSTGRADUATES AT UNIVERSITY MALAYSIA KELANTAN

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Abstrak

Psikologi pengguna terdiri daripada beberapa komponen iaitu persepsi, pengetahuan, sikap, niat, motif dan sebagainya. Penulisan ini difokuskan kepada komponen psikologi sikap pengguna. Tujuan kajian ini adalah untuk mengkaji sikap pelajar-pelajar pascasiswazah (Sesi 2015/2016) UMK terhadap penggunaan telefon bimbit berjenama mewah. Hasil analisis data menunjukkan bahawa keperluan sosial, kesesuaian, bahan dan keperluan untuk keunikan adalah faktor-faktor penting yang mempengaruhi sikap pelajar pascasiswazah terhadap jenama mewah telefon mudah alih. Kertas penyelidikan ini mendapati bahawa keperluan pengalaman memberi kesan negative kepada sikap responden terhadap telefon bimbit berjenama mewah. Faedah utama bagi pengurus, pengamal dan kajian masa depan dalam karya turut digariskan.

Kata Kunci: Keperluan sosial, Materialisme, Keperluan pengalaman, Keperluan keunikan, Pematuhan.

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Abstract

Consumer psychology has various components such as perceptions, knowledge, attitude, intention, motive and others. This study is done particularly on the components of consumer psychology namely attitude. The purpose of this study is to investigate the consumers' attitudes of postgraduate students'(2015/2017) towards luxury brands of mobile phone in Universiti Malaysia Kelantan (UMK). Results of the study indicate that social need, materialism, need uniqueness and conformity are important factors that influence the postgraduate students' attitude toward luxury brands of mobile phone. This research finds out that experiential need has negatively influenced attitudes towards luxury of the mobile phone. Key benefits for managers and practitioners and future research are also outlined in the paper.

Keywords: *Social need, Materialism, Experiential need, Need of uniqueness, Conformity.*

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1.0 Introduction

Today, luxury is no longer limited to only the rich people or the selected few but is being used for the comprehensive marketing now.The concept of luxury has been changing dramatically across time and culture. Earlier, luxury was connected with things like designer clothes and sports cars but these days, people have become richer and so luxury is a blurred genre that is no longer the preserve of the elite. People are having much more disposable income in comparison to earlier generations, resulting in a tendency towards fulfilling personal needs and aspirations through experience. Therefore, it could be said that luxury is more about the experience (Tovikkai, K., & Jirawattananukool, 2010; Kapferer, 2001). More and more consumers have increased their financial status as the old values of tradition and nobility have become less important, rather than financial value. This is not to say that luxury is about status, but luxury is more than financial value. Indeed, they run hand in hand. The need for personal repletion and ambition has led to greater emphasis on having things which make life better and easy. It means that consumers want to improve their life. This is what it means when they say that luxury is not just restricted to trophies and status symbols but also covers things giving aesthetic experience and indulgence (Danziger, 2004; Dubois, Laurent, & Czellar, 2001). In the recent times, the Global Financial Crisis has led consumers to re-examine their priorities and as a consequence, attitudes and behaviors towards luxury have changed.

In management field, it is accepted to distinguish luxury products from necessary and ordinary products within their category by their basic characteristics. These include things like financial value, quality, aesthetics, exclusivity, and status giving. All these characteristics are relative terms. A luxury product is characterized by a relatively high rating on each of these dimensions compared to other products of its category (Bian, 2010; Sinha, 2011; Heine & Trommsdorff, 2010). Luxury brands are those whose ratio of functional utility to price is low while the ratio of intangible and situational utility to price is high.

Since many luxury brands of mobile phone have expanded rapidly into the emerging markets like Malaysia, it is important that these companies understand postgraduate students, the determinants of consumers' attitudes toward the luxury of these brand. Thus, this paper attempts to rank the factors affecting consumer's attitudes for mobile phones through the five hypothesize which are matching with the problem statement.

2.0   Literature Review

2.1   Luxury brands

Luxury brands are those whose ratio of functional utility to price is low while the ratio of intangible and situational utility to price is high. The concept of luxury is complex and subjective and its meaning is dependent on various personal and interpersonal motives (Vigneron, & Johnson, 1999; Vigneron & Johnson, 2004). In order to understand the meaning of luxury, we can first describe the nature of luxury, luxury goods, luxury brands and brand equity for luxury brands. It goes without saying that consumer has developed a positive attitude towards the brand and luxury, which is reflected by the company dominance of the market over the last ten years (Roux & Floch, 1996).

2.2   Attitudes towards luxury brand

Consumers prefer counterfeit products with a famous brand name attached that would present some connotation of prestige to the consumer. The consumers" belief towards any brand is regulated by the image of the brand in the consumers" minds and the reputation which finally affects the consumers" attitudes towards the specific brand, proves that (Ajzen, 2011; Ajzen, 2012). More commonly, a price is also reflective of consumer attitudes towards the value of counterfeit products (Phau, & Teah 2009).

2.3   Factors that influence the purchase of luxury brands (mobile phone)

It was seen that the most important factors that influence the behavior of consumers of mobile services are call tariffs, network coverage, value added services, family members, friends, and advertisements (Ahmad & Ahmad 2014). Also, it was seen that consumers prefer prepaid packages more than postpaid packages (Rajpurohit & Vasita, 2011). According to (Ahmad & Ahmad 2014), selection of mobile telecommunications service providers is based on some critical factors such as overall service quality, free calls and SMS, network capability, low rate changes, network innovativeness, network reliability, promotions with discounts etc.

2.3.1 Social need

Luxury brands can also be described as premium or high priced brands that consumers purchase to satisfy their psychological needs like materialistic, hedonic and social needs rather than for their economical and functional value (Nueno & Quelch, 1998).Thus, luxury brands can be characterized as those which are conspicuous, unique and provide

high social and emotional value and are of excellent quality (as explained by (Wiedmann, Hennigs, & Siebels, 2007). The main factors leading to the purchase of luxury brands are the need for sociability and self-expression (Wiedmann, Hennigs, & Siebels, 2007). Therefore, this study postulates the following hypotheses:

H1: Social need has a positive influence on the attitude of postgraduate students toward the luxury brand of mobile phone.

2.3.2 Materialism

In the relevant literature, materialism is defined from various social, cultural, psychological, and economic perspectives: a way of life, a value orientation, a cultural system, a personality trait, a second-order value, an aspiration, and so on. Mishra (Mishra & Mishra 2011) examined the relationship between materialism and consumption innovativeness, the study tried to establish the fact that more materialistic consumers tend to possess greater consumption innovativeness in comparison to the less materialistic consumers. Finally, materialism embodies the individual's desire to control material objects. Therefore, the current study proposes the following hypotheses:

H2: Materialism has a positive influence on the attitude of postgraduate students toward luxury brand of mobile phone.

2.3.3 Experiential need

Experiential need reflects consumers' need for novelty, variety, and sensory gratification or pleasure (Park, Jaworski, & MacInnis, 1986). The experiential need has have been recognized as an aspect of consumption that is an important consideration as firms develop products to satisfy consumer needs. The experiential need will positively influence attitude toward luxury brands. The following hypothesis is proposed:

H3: Experiential need has a positive influence on the attitude of postgraduate students toward the luxury brand of mobile phone.

2.3.4 Need of uniqueness

Uniqueness theory addressed by (Fromkin & Snyder 1980) argues that people are motivated to maintain a sense of specialness as they define themselves on various important self-related dimensions relative to others, which is called the need for uniqueness. However, the need for uniqueness varies across different situations and different persons [(Zimmer, Little, & Griffiths, 1999)]. Some psychologists have indicated that high need for uniqueness people tend to desire higher levels of dissimilarity from others (Snyder, 1992; Lynn & Harris, 1997). Need for uniqueness is consisted of three dimensions: creative choice counter-conformity, unpopular choice counter-conformity and avoidance of similarity (Tian, Hammond, Florance, Antoni & Shipston, 2001; Tian & McKenzie, 2001). The following hypothesis is proposed:

H4: Need of uniqueness has a positive influence on the attitude of postgraduate students toward the luxury brand of mobile phone.

2.3.5 Conformity

Conformity is a core social motive and associated with peripheral route processing, bringing about heuristic-based and automatically driven choicely is appropriate. Conformity is a type of social influence involving a change in belief or behavior in order to fit in with a group. Conformity can also be simply defined as "yielding to group pressures" (Johnson, 1967; Kapferer & Michaut, 2014). Type of conformity in trend is called "Normative". In this case, people conform in order to fit in and gain acceptance even though they might privately disagree to the trend. The following hypothesis is proposed:

H5: Conformity has a positive influence on the attitude of postgraduate students toward the luxury brand of mobile phone.

3.0 Methodology

3.1 Research design

This study aims to identify the attitude of postgraduate students towards luxury products. To carry out this research, the study employed a quantitative research design. A mix of both primary and secondary data has been used for the research. The Internet and the World Wide Web are rapidly increasing in importance as sources of secondary data in business and management research. We have used a structured questionnaire with closed-ended questions.

3.2 Research population and sample

3.2.1 Research population

Postgraduate students of University Malaysia Kelantan (UMK) are the target population of this study. The participants were mostly postgraduate students, belonging to middle and upper middle class and both the genders were used. The researcher selected the postgraduate students for the survey based on accessibility.

3.2.2 Sample size and design

The sample size is 30 postgraduate students in Universiti Malaysia Kelantan. The participants were mostly 2105/2016 postgraduate students from several faculties. The convenience sampling method was used in the study. According to Rosello's rules, the sample size ranges from 30 to 50 acceptable for research due to the research is focused on a particular segment (Cochran, 1977). Also, according to "Cohen's tables for the selection of the statistical sample when (R2=0.5; Sig.no=1%; IV=5) the sample size ranges between 27-29 (Cohen, 1992).

3.3 Data collection

A structured questionnaire with closed-ended questions was used to collect the data. The tool was developed by adopting items from previously research. Dependent variable is represented by attitude towards luxury brand. The independent variables include social need, conformity, materialism, need uniqueness, conformity and experiential need. The version of questionnaire is shown in Appendix. The survey was personally distributed to the students in class by the researcher after obtaining permissions from the lecturer. The areas for the survey were limited to class room. A total of 30 respondents (students) were obtained, but only 28 questionnaires were valid for analysis and twowere excluded as the questionnaire was not completed to a satisfactory level to proceed with the analysis.

3.4 Data analysis techniques

Several analysis instruments were used by Statistical Package for Social Science (SPSS) version 22.0 to examine the data obtained from the respondents. Descriptive statistics and multiple regressions were used in this study.

4.0 Results and discussion

4.1 Demographic profile analysis

The distributed questionnaires obtained the demographic data of the respondents, such as gender, age and education. Table 1 shows the results of SPSS for demographic characteristics of respondents. In terms of gender, more than half (57.1.7%) of respondents were female, whereas 42.9% of the respondents were male. In terms of age, 53 % of the respondents were aged between 21-30 but 46.4% of the respondents were aged between 31- 40. In terms of education, 78.6% of respondents studying for a Master level while 21.4% for a PhD level.

Table 1: Demographic profile analysis

Gender	Male = 42.9%	Female = 57.1%	Mean	Std.
Age	21-30 = 53.6%	31-40 = 46.4%	30	4.846
Education	Master = 78.6%	PhD = 21.4%	1.21	.418

4.2 Hypotheses Testing

Multiple regressions were conducted to test the hypotheses of H1, H2, H3, H4 and H5. Multiple regressions were performed in this study to examine causal relationships among the factors influencing the attitude towards luxury brand. Based on Table 2, social need showed a positive and non-significant relationship with luxury brand of mobile phone with the following values (β = 0.439, t=1.716, p=0.1); therefore H1 is supported. This result goes in line with (Wiedmann, Hennigs & Siebels, 2007; Mishra & Mishra 2011) in which the social need has non-significant and positive relationship. Also, materialism exerted a positive but non-significant relationship with consumer attitude (β = 0.378, t=1.733, p=.097) which lend support to H2. This result is in accord with (Mishra & Mishr, 2011; Park, Jaworski, & MacInnis 1986) in their findings of the positive and non-significant relationship between materialism and attitude. The relationship between experiential need and attitude, however, showed a negative and nonsignificant relationship between the two factors (β = -0.004, t=0-.048, p= .867). This result contradicts with H3. However, the literature shows that the relationship between experiential and attitude has support of the researchers' findings (Park, Jaworski, & MacInnis, 1986). This result is having support in literature with the findings of (Park, Jaworski, & MacInnis, 1986). Moreover, need uniqueness and Conformity factors towards attitude showed a positive and non-significant relationship (β = 0.004, t=.019, p= 0.985; β = 0.168, t=.750, p=0.461, respectively). Thus, H4 and H5 are supported. The findings go in line with previous work in the positive and non-significant relationship between Need uniqueness and conformity factors with attitude (Lynn, & Harris, 1997; Tian & McKenzie, 2001; Kapferer & Michaut, 2014), respectively. In summary, hypotheses H1, H2, H4, and H5 are supported, while H3 is not supported. Refer to Table 2 for details.

Table 2: The results of the hypotheses testing

Hypothesis	Beta	t-value	P.value	Sig	Results
Social need →Consumer attitude	0.439	1.716	.100	No	Supported
Materialism →Consumer attitude	0.378	1.733	.097	No	Supported
Experiential need→ Consumer attitude	0-.048	-.169	.867	No	Non supported
Need uniqueness→ Consumer attitude	0.004	.019	.985	No	Supported
Conformity→ Consumer attitude	0.168	.750	.461	No	Supported

Note: Significance level tested is P< 0.05.

5.0 Conclusions and implications

First, according to the research results, the positive relationships between social need, conformity, need uniqueness and conformity and attitude toward luxury brands imply that the postgraduate students' consumers express their values through purchasing luxury brands of mobile phone. Postgraduate students' consumers are willing to try and experience luxury brands of mobile phone. It implies that postgraduate student consumers think that owning luxury of the mobile phone is the best way to show their own style, and they prefer to be fashionable than being unique. Secondly, the results indicate that experiential need is not considered as the most important factors that determine the attitude of postgraduate students toward luxury of mobile phone. Thirdly, marketing managers of mobile phone should emphasize social need, conformity, and need uniqueness when introducing their products of mobile into a new market. Investment in advertising and improvement of service in retailing may help to build a relationship with consumers in the long term.

6.0 Future research

It would be interesting if researchers will thoroughly examine the non-interested luxury consumers' attitudes, interests, characteristics etc. as well as the respondents' consumer habits in five or ten years' time. A longitudinal research would give more information on brand loyalty and the permanency of consumer habits of mobile phone. The question where young people seek their information or buy their luxury products of mobile phone is a large section, too. The use of the Internet as a marketplace brings about new challenges to traditional marketing. Researchers could also study young people's attitudes toward brand of mobile phone extensions and diversification. Consumer research concerning attitudes and needs is continuously needed in the area of luxury brand of mobile phone.

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