Factors Affecting Purchase Intention of South East Asian (SEA) Young Adults towards Global Smartphone Brands

Wahid Zahid¹ and Omkar Dastane²

The study aims to probe the effect of perceived price, perceived quality, brand awareness, and social influence on purchase intention of South East Asian (SEA) Young Adults towards global smartphone brands. This explanatory research uses quantitative empirical data collected from 200 SEA Young Adults studying in one of the public universities in Malaysia. Stratified random sampling is used while ensuring fair representation of SEA countries, viz., Singapore, Malaysia, Philippines, Thailand, Indonesia, Vietnam, and Cambodia. Correlation and regression analysis were carried out using SPSS 20.0. The study resulted in the finding that social influence has the highest level of linear relationship and so is the most influential factor among four. The findings provide guidelines to global smartphone brands for developing value proposition and better promotion mix for smartphones promotion.

Keywords: purchase intension, smartphone, South East Asia, young adults, buying behaviour


Kata kunci : intensitas pembelian, smartphone, Asia Tenggara, anak muda, perilaku pembelian

Introduction

As per IDC (2015) Worldwide Quarterly Mobile Phone Tracker, smartphone market recorded significant growth of 13% in 2015 Q2 over past year. Samsung retained its leadership with 24.1% market share followed by Apple with 13.9%, Huawei 8.7% Xiaomi 5.6%, Lenovo 4.7%, and other brands 45.7%. The primary reason is huge growth that has been experienced in emerging markets such as South East Asia (SEA) and Middle East and Africa (MEA) (IDC, 2015). The biggest growers in first half of 2015 are MEA and SEA with rate of 20% (Curry, 2015). In total, for SEA region, smartphone shipments reached around 24 million units in the first quarter of 2015 (1Q15), resulting in a year-over-year (YoY) growth of 65.6%. The region wise smart phone sales have topped to US$8 billion in the first half of 2015 (IDC, 2015).

SEA region consists of seven key markets, viz., Singapore, Malaysia, Philippines, Thailand, Indonesia, Vietnam and Cambodia. Among these members, Singapore market is somewhat mature while Malaysian customer is bit careful in spending post Goods & Services Tax (GST) implementation. In spite of these, sales rose in these markets along with Thailand and Vietnam. The three biggest of SEA markets

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are Indonesia, Thailand and Vietnam while Vietnam, Thailand and Philippines are fastest growing of all (Retail Asia, 2015). As per SEA and Oceana (Ericsson, 2014), key reasons of this growth are youth culture, increased ICT infrastructure and urbanization in this region. SEA consists of 170 million young people which are main users of smartphones. Young Adults significantly and positively influences the adaptation of apps, smartphone software and mobile data services. The Young Adults are enthusiastic about technology and influences ICT service growth by embracing new trends. In 2013, more of Young Adults compared to adults owned smartphones in this region. Also for various purposes like social networking, video streaming, internet browsing etc, Young Adultss are more active.

According to Wall Street Journal (2013) seven leading global smartphone brands, viz., Samsung, Apple, Nokia, Motorola, Blackberry, HTC and LG spent around $1.3 billion on smartphone advertisements. This shows huge budget allocation for smartphone advertisement and so crucial importance of selecting right promotion mix and development of advertisement strategy. Global smartphone companies may have knowledge of making quality smartphone, but it doesn’t mean they definitely have expertise of getting those products noticed. As per Kantar, 2013, HTC spent mere $75.8 million on smartphone advertisement comparing to leader Samsung which spent $363 million. This disparity completely overshadowed original HTC One against its rivals. This shows dilemma of global smartphone brands in developing promotion mix.

Understanding factors affecting purchase intension will definitely help smart phone brands to formulate better promotion mix. This investigation would help many entry level global smartphone brands to formulate their promotion mix to take advantage of demand. On the other hand, established players can modify their value proposition to suit the region and target growth in market share. The investigation is also significant because marketing and promotional cost constitutes major share of the budget of these companies. The research can also assist various mobile app companies and M-marketing agencies to formulate their strategies. Following objectives are framed after extensive literature review

Research Objectives

Objectives of the studies are as follows: (1) to investigate the extent to which brand awareness impacts purchase intention of SEA Young Adults towards global smartphone brand, (2) to investigate the extent to which perceived quality impacts purchase intention of SEA Young Adults towards global smartphone brands, (3) to investigate the extent to which perceived price impacts purchase intention of SEA Young Adults towards global smartphone brands, and (4) to investigate the extent to which social influence impacts purchase intention of SEA Young Adults towards global smartphone brands.

Research Questions

Four research questions are formulated corresponding to the objectives as (1) does brand awareness have impact on SEA Young Adults’ purchase intention for global smartphone brand? (2) Does perceived quality have impact on SEA Young Adults’ purchase intention for global smartphone brand? (3) Does perceived price have impact on SEA Young Adults’ purchase intention for global smartphone brand? And (4) Does social influence have impact on SEA Young Adults’ purchase intention for global smartphone brand?

Literature Review

ASEAN is not a monolithic market and is a diverse group. Main differences are culture, language and religion. For instance, almost 90% of Indonesian population is Muslim; Thailand is with almost 95% of Buddhist population while almost 80% population of the Philippines is Roman Catholic. ASEAN consumer behaviour also varies as per country in many other aspects. In terms of product ownership and use of distribution channels, Malaysia shows most advanced consumer behaviour among ASEAN countries. Thailand consumers portray unique eating habits while for Indonesian consumers, ‘low price’ is an important factor while purchasing goods. Vietnam consumers are highly health conscious. Myanmar consumers are not highly demanding but quite faster in acquiring advanced products like smartphones.
Indonesia is a market of 245 million consumers residing across 6000 islands. This population is varied in terms of income level and life style and so the consumer behaviour. Urban middle class consumers have access to smartphones, TV but it’s not in common with consumers in traditional fishing villages (Bertoli, 2013). Filipinos on other hand displays warm and open culture having combined influences of European, American and Asian cultures. Important consumer characteristic here is preference towards purchasing small packages of most of the products. This facilitates to stretch limited budget and ensure fulfilment of daily needs. (Bertoli, 2013). There are various economic, sociopsychological and cultural perspectives which are similar in ASEAN consumers. Some other similarities observed are preference to variety, preference to social expectations and preference for more balanced life (Sharma et al., 2006). Some of the similarities in ASEAN consumers include rising income level, health and well-being, Urbanization, technology advancement, usage of smartphones and being extremely social online. (Grant Bertoli, 2013).

In past years, it seems that the majority of purchase intention research has taken place in developed countries like UK, Japan, and United States of America. (Turhan & Ozbek, 2013); some of the research were also carried out in developing countries of Africa, Asia, and Asia-Pacific (Chen, 2013; Chow et al., 2012; Ibrahim et al., 2013; Jedd & Zaiem, 2010; Yee et al., 2013). Although, a little research has been done carried out Middle East (Faryabi et al., 2013; Khan & Rohi, 2013; Roorzy et al., 2014; Shah. et al., 2012). However, through further review it seems that most of research conducted in developed countries was done in UK and United State of America (Elizabeth, 2012; Hyejune & Youn-Kyung, 2014) and majority of the research been carried out in developing countries were taken place in Indonesia, Taiwan, and Thailand (Chen, 2013; Gorban, 2012; Noor et al., 2013; Siahaan et al., 2014; Tat et al., 2011). Therefore, inadequate research findings are available for SEA Young Adults which consists of Singapore, Malaysia, Philippines, Indonesia, Thailand, Vietnam, and Cambodia. (Karampour & Ahmadinejad, 2014; Lekprayura, 2012; Liu, 2013; Manjusha & Segar, 2013; Muhammad et al., 2014; Safarnia & Mollahosseini, 2013).

The substantial amount of research reviewed shows that they used explanatory research design (Karampour & Ahmadinejad, 2014; Lekprayura, 2012; Liu, 2013; Manjusha & Segar, 2013; Tin & Suh, 2005), while less studies were carried out using exploratory research design (Anic, 2010; Khantaan et al., 2014; Kittilertpaisan & Chanchitpreecha, 2013; Roorzy et al., 2014). However, only a few researched were using both exploratory and explanatory research design (Choi & Kim, 2013; Karampour & Ahmadinejad, 2014; Lekprayura, 2012; Liu, 2013; Manjusha & Segar, 2013). For this study the explanatory research design is used, in terms of methodology it showed that the majority of research review used quantitative method and carried out their research (Chen, 2013; Chow et al., 2012; Jedd & Zaiem, 2010; Jianlin et al., 2010; Karbala & Wandebori, 2012; Noor et al., 2013; Tih et al., 2013). This study uses quantitative method to justify the factors affecting purchase intention.

Several researches have also shown that Country of Origin (COO) plays important role in purchase intension for purchase of foreign products. Hence it becomes important to discuss this effect in context of global smartphone brands and ASEAN consumers. As per Gunawan (2013), COO has positive influence on attitudes of foreign products, for Malay and Chinese Ethnic. Purchase intension of global brands is also influenced by consumer ethnocentrism. Consumer ethnocentrism reduces purchase intension of the product with global brand, specifically in context on Indonesian market (Tasurru et al., 2014). A study by Tulipa and Muljani (2015), supports that extrinsic information like COO and brand image have positive influence on purchase intension as well as attitude. Consumers in developed countries prefer to purchase products manufactured locally while consumers in developing countries prefer products manufacturer abroad, mainly in developed nations (Alden et al., 2013).

Through the past research it can be noticed that the most commonly cited variables used to measure the factors affecting purchase intention on a customer are brand awareness (Alex & Thomas, 2011; Chitra, 2014; Manjusha & Segar, 2013; Sainy, 2014), perceived quality...
(Karampour & Ahmadinejad, 2014; Khan & Rohi, 2013; Mahmoudzadeh et al., 2013; Qamar, 2013; Rehman & Dost, 2013; Safarnia & Mollahosseini, 2013; Shah et al., 2012), perceived price (Choi & Kim, 2013; Islam et al., 2013; Kim et al., 2011; Tin & Suh, 2005), social influence (Kittilertpaisan & Chanchitpreecha, 2013; Lekprayura, 2012), and purchase intention (Chen, 2013; Chow et al., 2012; Jeddi & Zaiem, 2010; Jianlin et al., 2010; Karbala & Wandebori, 2012; Noor, et al., 2013). Moreover, it seems like most of commonly used variables in research that was conducted in Asia on factor affecting purchase intention on consumer were social influences (Jaafar et al., 2011; Sam & Tahir, 2009; Yulihasri et al., 2011), price (Mei et al., 2012; Mothar et al., 2013; Tih & Kean, 2013), product feature (Halim & Hamed, 2005; Yee et al., 2010; Yin-fah et al., 2013), subjective norms (Chow et al., 2012; Ibrahim et al., 2013; Jaafar et al., 2011; Yee et al., 2013), and consumer knowledge (Gorban, 2012; Mothar et al., 2013; Noor et al., 2013; Sam & Tahir, 2009; Tat et al., 2011; Tih & Kean, 2013). However, in recently showed that the most commonly cited variables used in research that were taken place in Asia in term of purchase intention on smartphone are social influence (Jaafar et al., 2011; Sam & Tahir, 2009; Yulihasri et al., 2011), functional factors (Cheng et al., 2011; Gorban, 2012; Hat, 2013; Jaafar et al., 2011), and consumer satisfaction (Gorban, 2012; Noor et al., 2013; Tat et al., 2011).

The concept of purchase intention continued to be an important part of marketing, though consumers’ buying decision making still remain very complex (Ghania et al., 2014). In other words, purchase intention could verify the consumer’s action that can lead to the actual purchase and through recognition of the potency of purchase intention, there is a high possibility or tendency to purchase the certain product or service when the purchase intention is much stronger (Dodds et al., 1991; Schiffman & Kanuk, 2000). Purchase intention demonstrates that consumers follow need identification means what they want in smartphone and why they want it, information search through all means available those global smartphone offers, estimation of choices that make post-purchase and purchase decision experience (Dodds, Monroe, & Grewal, 1991; Schiffman & Kanuk, 2000; Zeithaml, 1988). Therefore, it can be said that purchase intention is a useful tool that can be used to predict the consumer-buying behaviour. Once the individual makes a decision to purchase a particular product in particular store or of company, they had been driven by their previous intention that has been developed about the product.

The theory of planned behaviour (TPB) is the common and major model that has been adopted to evaluate consumer behaviour towards particular product and service in an international market. This model proposed to measure human actions and how it guided consumer behaviour (Ajzen, 1991), this theory predicts the occurrence of a particular behaviour that can influence or affect individual through social influence and individual’s attitude towards their behaviour towards product. The model outlined three major variables; suggests that it is the antecedents of people intention perform certain action: individual main attitude, individual subjective norms, and perceived behavioural control. Moreover, intention is refer to as precursors of behaviour (Chen 2013; Chow et al., 2012; Kim et al., 2011; Shah et al., 2012; Yee et al., 2013). While, behaviour is the best antecedent of intention because it is conclude that intention is the cognitive representative of an individual readiness to perform action, and this is considered to be the instant predictors of individual behaviour that have positive impact on customer purchase intention (Gorban, 2012; Hat, 2013; Huong, 2012; Siahaan et al., 2014). Despite the contribution of this model to human behaviour, it is argued that its construct were centred on psychological perspective of human behaviour which is not enough to determine individual purchase intention (Mahmoudzadeh et al., 2013). Research studies show positive significant impact on factors such as brand awareness, perceived quality, and perceived price as a construct that can influence consumer purchase intention and this were not included in the theory of planned behaviour model (Ajzen, 1991).

Nevertheless, review of literature offers sample support that consumers assess products based on brand awareness; the product perceived quality, perceived price, and social influence that associated to the particular product that is used by customers to infer the point of view regarding to product attribute (Armitage & Christian, 2003).
Brand awareness related to the consumer’s ability to identify and recall a brand at any various circumstance (Aaker, 1996). Our first variable, Brand awareness consists of brand recognition as well as brand recalling. Brand recalling is whenever consumers notice a product in its category, they can remember and recall exact brand name. Brand recognition simply means consumers recognize a brand when there is a brand sign. That is, consumers can tell a brand properly if they ever heard or saw it (Lin, 2006). The level and manner of awareness created by global smartphone brand has been the factors that affecting in purchase intention of SEA Young Adults towards global smartphone brands.

Bhuian (1997) conclude that perceived quality mean consumers’ subjective judgment about a particular product or services. According to Zeithaml (1988), perceived quality is being as a decision or evaluation of the consistency of product specification or an judgement on functionality of a product such as the size of the phone, screen size, phone durability and portability. Garvin (1983) proposes that perceived quality could be use as an antecedent based on users’ recognition while objective quality can be use based on product or manufacturing orientation. That is perceived behaviour of SEA Young Adults towards global smartphone were high because of their expected quality which might be of high standard. However, the actual variation between perceived quality and objective quality are lie due the perceived quality is influenced by the product qualities’ that can be an evaluation basis for consumers and the objective quality has a pre-established standard to a product or services (Aaker, 1991).

Perceived price is one of the factors considering by consumers before making decision about a certain product or services, it is an ordinary phenomenon that consumers are carefully pay intention on the price of the products or services before decides either they should buy or not (Olson, 1977). Particularly consumer prefers for the reasonable price during of business transaction. Therefore, it is essential for any company or store to put the price based on the level of satisfaction that consumers expect and wants to receive from product and service (McConnell, 1968). The perceived price usually emerges as one of the important determinant that lead the consumers’ decision to get close with global smartphone advertising and it has been one of the major factors that affecting students purchase intention towards global smartphone brands (Monroe & Krishnan, 1985).

The virtual communities are significant source of social influences, which can affect students on purchase intentions towards global smartphone brands (Bickart & Schindler, 2001). This antecedent was based on social interactions, where some group of friends, family or peer group can build a relationship or interests with each other (Kelman, 1958), Members inside the communities can seek and share the information that linked to the product brand (smartphone) and this factor can affect on purchase intention of students studying in Malaysia towards global smartphone brands. This perception of customer intention is mainly based on the TRA (Fishbein & Ajzen, 1975).

Moreover, drawing the current human behavioural intention, comprehensive understanding with the research literature of the consumer purchase intention will significantly point out and tend to be laid on the important antecedent factors or variables such as brand awareness, perceived quality, perceived price, and social influence which experiential study point out as strong antecedent of behavioural intention (Turley & Moore, 1995). Therefore, for the purpose of this study, these variables will be applied to examine the factors affecting purchase intention of SEA Young Adults towards global smartphone brands.

Conceptual Framework

The importance of brand awareness as a factor affecting purchase intention of SEA Young Adults towards global Smartphone brands

Brand Awareness is used to measures the accessibility of the brand in consumer memory, and it comprises the brand recall (Faryabi et al., 2013; Jianlin et al., 2010; Noor et al., 2013; Tih et al., 2013), brand recognition (Choi & Kim, 2013; Karampour & Ahmadinejad, 2014; Liu, 2013; Manjusha & Segar, 2013), building of brand image (Khan & Rohi, 2013), brand attribute (Qamar, 2013), brand personality (Roorzy et al, 2014), and brand acknowledge (Lekprayura,
all these plays a significant role on consumers purchase intention since consumers try to buy a well-known and familiar product or service (Keller, 1993; Macdonald & Sharp, 2000).

Brand awareness assists consumers to be familiar with a brand from a product classification and make purchase decision (Percy & Rossiter, 1992). Brand awareness has a great impact on the selections of global smartphone brand and it has been earlier thought base in smartphone product classifications (Hoyer & Brown, 1990). Brand awareness is also an important factor in the purchase intention, and global smartphone brand used it to accumulate consumers’ mind as to influence youth purchase decision making. Global smartphones have high stage of brand awareness that receive higher preferences from consumers because of its brand recalling and brand recognition through its quality valuation (Dodds et al., 1991; Grewal et al., 1998). Moreover, (Hoeffler & Keller, 2002) point out which brand awareness can be easily recognized from width and depth. Width expresses infers when the consumers purchase a product and therefore at the same time the brand name will come to their mind, along with depth means how to make consumers to distinguish and recall the brand easily.

**H1.** Brand awareness has significant positive influence on SEA Young Adults’ purchase intention towards global smartphone brands

![Figure 1. Conceptual Framework](image)

Source: (Ibrahim et al., 2013; Roorzy et al., 2014; Siahaan et al., 2014; Tih et al., 2013)

The importance of brand awareness as a factor affecting purchase intention of SEA Young Adults towards global Smartphone brands

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**H1.** Brand awareness has significant positive influence on SEA Young Adults’ purchase intention towards global smartphone brands.

The importance of perceived quality as a factor affecting purchase intention of SEA Young Adults towards global smartphone brands

Perceived quality is one of the major factors that influence Young Adults purchase intention towards global smartphone brand (Roorzy et al., 2014). This variable includes product objective (Yee et al., 2013), product overall excellent (Tat et al., 2011), product superiority (Noor et al., 2013), consumer satisfaction (Gorban, 2012), product function (Khan, 2013), and product preference purpose (Sainy, 2014). Perceived quality play an important role in influences customer purchase intention and this factor can be affected by construct the perceived risk, education level, previous experience, and conditional variables such as purchase objective, time pressure, situation while purchasing, and consumers’ social background (Holbrook & Corfman, 1985). However, perceived quality refers to as consumer subjective decision and judgment on a particular product quality that SEA Young Adults will evaluate global smartphone product quality through their previous experiences and feelings about it.

Perceived quality varies to actual quality for few reasons, viz., (a) an earlier awful product image may influence consumers’ decision and future product quality judgement. Even if the product quality changes, it would still be hard for consumers to trust that the same product because of their earlier unsatisfactory experience (Aaker, 1996), (b) different views on producers and customers judgment over quality scopes (Aaker, 1996; Morgan, 1985), and (c) objectively consumers seldom have sufficient knowledge to assess a product. Though, despite having enough information by the consumers, this information may be not enough in time and inspiration to do a further discussion or judgment, and in the end, they can only choose little significant information and make an valuation on quality (Aaker, 1996; Wan, 2006). Moreover, perceived quality is a relative concept that has the individual attributes, comparative, and situational.

**H2.** Perceived quality has significant positive influence on SEA Young Adults’ purchase intention towards global smartphone brands.

The importance of perceived price as a factor affecting purchase intention of SEA Young Adults towards global smartphone brands

Different people have different perspectives and ideas about the value for money, some people may think high price means high value on the other hand some might think that not worth and so its not a value for money. Kotler and Armstrong (2010) state price is an amount charged for a product or service, or the total of the values that customers exchange for the acquiring benefits or using the product or service. Price is the basic amount of money consumer wants to pay for in an exchange with products and services that they think are valuable (Campbell, 1999).

**H3.** Perceived price has significant positive influence on Asian Young Adults’ purchase intention towards global smartphone brands.

The importance of social influence as a factor affecting purchase intention of SEA Young Adults towards global smartphone brands

Social influence setting is referring to as social pressure on consumer from those that important to them such as peer group (Ibrahim et al., 2013), cultural value (Yee et al., 2013), friends and family (Rajagopal, 2010), persuasion conformity (Mohtar et al., 2013), friend on social media (Hat et al., 2013), norms (Vahabzadeh et al., 2014), Social influence is one of the major potential that emerges as people tend to understand, relate to each other’s, and being themselves. Thus, any one of the influencing motives might yield changes in the meaning of an issue, brand or product. However, the majority of the research on purchase intention to date has focused on one
certain motive, that is the tendency to align with valued reference groups and differentiating them from devalued ones (Petty & Wegener, 1998).

Hat (2013) study underlying assumption that users’ of social influence is ambiguous and ill formed in pre-adoption levels and it is logical for possible users to rely on the view of important others for making decision that associated to the use of social pressure. The impact of social influence has been verified in countless domains, including social media (Cialdini & Trost, 1998) and the majority of relevant to this existing investigation, both adoption and rejection of consumer products (Berger & Heath, 2007). People shift the meaning of a variety of product such foreign smartphone and consumer discussion when social character concerns are salient (Asch & Solomon, 1951).

H4. Social influence has significant positive influence on Asian Young Adults’ purchase intention towards global smartphone brands.

The important of purchase intention on SEA Young Adults towards global smartphone brands

Purchase intention is a consumer future intent to buy particular goods and services within a short time. This plan is developed by consumers through consumer perceived quality, perceived price, social influence and brand awareness. Among factors that contributed to purchase intention includes interest (Muhammad et al., 2014), effort, readiness, desire, plan and willingness (Yulihasri et al., 2011).

Engel et al. (1995) mentioned partially planned buying, unplanned buying and fully planned buying as division of purchase intention. Partially planned buying is the consumers make decision just on specifications of product and category before product purchase, and brands and types will decide in the shop during actual purchase. However, the unplanned buying is when consumers make all the decision and plan to buy a product specification based on the brand awareness and country of origin. This can be considering as desiring buying behaviour. Moreover, the fully planned buying means the consumer will make arrangement and decision to on choice of product or brand to buy well before entering the shopping centre. Kotler (2003) suggested that the unpredictable situations and individual attitudes would influence the purchase intention of consumers. In additional, the unpredictable situations define situational changes in consumer decision, like, higher price than expected. However, the individual attitudes also matter, such as personal preferences to others and compliance to others’ expectation (Dodds et al., 1991). Consumer purchase intention is also a subjective preference toward a product as well as it can be a significant index to forecast the consumer buying behaviour (Fishbein & Ajzen, 1975; Zeithaml, 1988) uses intended to buy, potential to buy, and considered to buy as measurement items to measure consumers purchase intention.

Methods

Research Design

Research Approach: This research study is explanatory and hypothesis testing approach is adopted to examine the determinant nature of relationship and differences between the factors affecting purchase intention of SEA Young Adults towards global smartphone brands. Method of Research: A quantitative approach is used. Collis and Hussey (2009) mentioned that quantitative study produces more viable and reliable findings, which can be generalized to large population size. Sample Size: The target population is Young Adults of age group 18 to 35 who are using global smartphone brands. The questionnaire was distributed to students using global smartphone brand and studying at one of the public universities in Malaysia. Total sample size of 200 selected. Sampling Technique: Stratified random sampling method is used while ensuring fair representation of population in each stratum. Strata were formed considering key SEA countries, viz., Malaysia, Philippines, Indonesia, Thailand, Vietnam, and Cambodia. Singapore could not be included because of unavailability of representative students. List of students of age group 18 to 35 using global smart phones was prepared and questionnaire was distributed using random numbers. Data Collection Instrument: Standardized questionnaires consisting 30 questions (6 questions per variable) in Likert scale from 1-5 were used as a data collection tool for this research. The questions were developed on brand awareness, perceived quality, perceived
price, social influence and purchase intension. The questionnaire was pilot tested by using 20 respondents to find out how properly the respondents will recognize the workings of the questions. **Data Analysis Tool:** The responses gathered from the respondents are computerized and analysed by utilizing Statistical Package for Social Sciences (SPSS 20.0). Moreover, the frequencies and means are utilised to analyze the responses of the respondents. In addition, the relationship of the factors affecting purchase intention of SEA Young Adults towards global smartphone brands is analysed using Pearson correlation at the same time regression analysis issued to determine the extent of relationship between the independent variables on purchase intention. **Data Screening and Data Cleansing:** Data screening and cleansing is done to ensure that collected data are able to be used, reliable and also valid to check the causal relationship. SPSS package was explored to conduct rigorous data screening and also cleaning. Through the inspection, certain data set was found erroneous along with outliers. Such data were stripped away before analysis. The illustrative analysis was re-conducted depending on minimum as well as maximum columns until result implies that there were no problems from the outside of the data range or outliers. **Removal of Outliers:** Total of 10 outliers were being detected and removed from the data set of this study by using box plot, this made the study to left with 190 out of 200 data set collected. **Ethical Issues:** Informed consent, anonymity & confidentiality and privacy principle were followed. Another ethical issue that put in consideration was the provision of information about possible risks and benefit of this study. Another ethical issue considered is that participants below ages 18 were not allowed to participate in this study.

**Research Hypothesis**

**Hypothesis 1:**

Null \( (H_0) \): Brand awareness has significant positive influence on SEA Young Adults’ purchase intention towards global smartphone brands.

Alternative \( (H_A) \): Brand awareness has no significant positive influence on SEA Young Adults’ purchase intention towards global smartphone brands.

**Hypothesis 2:**

Null \( (H_0) \): Perceived quality has significant positive influence on SEA Young Adults’ purchase intention towards global smartphone brands.

Alternative \( (H_A) \): Perceived quality has no significant positive influence on SEA Young Adults’ purchase intention towards global smartphone brands.

**Hypothesis 3:**

Null \( (H_0) \): Perceived price has significant positive influence on SEA Young Adults’ purchase intention towards global smartphone brands.

Alternative \( (H_A) \): Perceived price has no significant positive influence on SEA Young Adults’ purchase intention towards global smartphone brands.

**Hypothesis 4:**

Null \( (H_0) \): Social influence has significant positive influence on SEA Young Adults’ purchase intention towards global smartphone brands.

Alternative \( (H_A) \): Social influence has no significant positive influence on SEA Young Adults’ purchase intention towards global smartphone brands.

**Decision rule**

Accept Null: If \( p \) (probability) is greater than alpha (0.05), there is no significant difference between the variables.

Reject Null, accept alternative hypothesis: If \( p \) is less than alpha (0.05), there is significant difference between the variables.

**Results and Discussion**

**Respondent’s Profile**

Table 1 shows respondents profile with 60.52% male participants, while 39.47% are female. Majority of students 76.84% are from 18 years to 25 years of age group. 81.57% students from sample are pursuing undergraduate programs.
Table 1 (a). Respondent’s Profile

<table>
<thead>
<tr>
<th>Demographic</th>
<th>Particular</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td>Male</td>
<td>115</td>
<td>60.52%</td>
</tr>
<tr>
<td></td>
<td>Female</td>
<td>75</td>
<td>39.47%</td>
</tr>
<tr>
<td>Age</td>
<td>18-25 years old</td>
<td>146</td>
<td>76.84%</td>
</tr>
<tr>
<td></td>
<td>26-34 years old</td>
<td>35</td>
<td>18.42%</td>
</tr>
<tr>
<td></td>
<td>35 years Above</td>
<td>9</td>
<td>4.73%</td>
</tr>
<tr>
<td>Program study</td>
<td>Diploma</td>
<td>3</td>
<td>1.57%</td>
</tr>
<tr>
<td></td>
<td>Undergraduate</td>
<td>155</td>
<td>81.57%</td>
</tr>
<tr>
<td></td>
<td>Postgraduate</td>
<td>32</td>
<td>16.84%</td>
</tr>
</tbody>
</table>

Table 1 (b). Respondent’s Nationality

<table>
<thead>
<tr>
<th>Country</th>
<th>Sample proportion based on population</th>
<th>Sample Size</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indonesia</td>
<td>44.73 %</td>
<td>85</td>
</tr>
<tr>
<td>Philippines</td>
<td>17.90%</td>
<td>34</td>
</tr>
<tr>
<td>Vietnam</td>
<td>16.31%</td>
<td>31</td>
</tr>
<tr>
<td>Thailand</td>
<td>11.60%</td>
<td>22</td>
</tr>
<tr>
<td>Malaysia</td>
<td>05.25%</td>
<td>10</td>
</tr>
<tr>
<td>Cambodia</td>
<td>4.20%</td>
<td>08</td>
</tr>
<tr>
<td>Total</td>
<td>100%</td>
<td>190</td>
</tr>
</tbody>
</table>

Table 2. Cronbach’s Alpha Coefficient Result

<table>
<thead>
<tr>
<th>Variables</th>
<th>Cronbach’s Alpha</th>
<th>N of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brand Awareness</td>
<td>0.922</td>
<td>06</td>
</tr>
<tr>
<td>Perceived Quality</td>
<td>0.892</td>
<td>06</td>
</tr>
<tr>
<td>Perceived Price</td>
<td>0.910</td>
<td>06</td>
</tr>
<tr>
<td>Social Influence</td>
<td>0.887</td>
<td>06</td>
</tr>
<tr>
<td>Purchase Intension</td>
<td>0.918</td>
<td>06</td>
</tr>
</tbody>
</table>

Validity and Reliability

This research has eliminated bias in its data collection procedure by administered set of questionnaires used by respondents. Furthermore, this study has fulfilled reliability test for external validity by conducting pilot testing on few selected students who participated in this research. After compiling all questionnaires, reliability test was conducted to calculate the reliability of the scales used by Cronbach’s alpha coefficient. See the Table 2 below for Cronbach’s alpha coefficient result:

Table 2 shows the result of reliability test of Cronbach’s alpha coefficient which indicating 0.913. In social science research analysis, Cronbach’s alpha of 0.7 and above is acceptable (Lund, 2012). Hence, Cronbach’s alpha coefficient result for this study was considered good for the internal consistency. Therefore, the result of reliability in this study is acceptable and consistent in its measurement.
Table 3. Descriptive Statistics

<table>
<thead>
<tr>
<th>Stat</th>
<th>Brand Awareness</th>
<th>Perceived Quality</th>
<th>Perceived Price</th>
<th>Social Influence</th>
<th>Purchase Intension</th>
</tr>
</thead>
<tbody>
<tr>
<td>N</td>
<td>190</td>
<td>190</td>
<td>190</td>
<td>190</td>
<td>190</td>
</tr>
<tr>
<td>Range</td>
<td>4.00</td>
<td>4.00</td>
<td>4.00</td>
<td>4.00</td>
<td>4.00</td>
</tr>
<tr>
<td>Min</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
<td>1.00</td>
</tr>
<tr>
<td>Max</td>
<td>5.00</td>
<td>5.00</td>
<td>5.00</td>
<td>5.00</td>
<td>5.00</td>
</tr>
<tr>
<td>Mean</td>
<td>3.5880</td>
<td>3.8579</td>
<td>3.3293</td>
<td>3.0347</td>
<td>3.3791</td>
</tr>
<tr>
<td>Std. Dev.</td>
<td>0.05630</td>
<td>0.07296</td>
<td>0.04986</td>
<td>0.06351</td>
<td>0.06960</td>
</tr>
<tr>
<td>Skewness</td>
<td>-0.732</td>
<td>0.176</td>
<td>-0.363</td>
<td>-0.251</td>
<td>-0.355</td>
</tr>
<tr>
<td>Kurtosis</td>
<td>0.176</td>
<td>0.056</td>
<td>0.176</td>
<td>0.157</td>
<td>0.351</td>
</tr>
</tbody>
</table>

Table 4. Correlation Coefficients

<table>
<thead>
<tr>
<th></th>
<th>Brand Awareness</th>
<th>Perceived Quality</th>
<th>Perceived Price</th>
<th>Social Influence</th>
<th>Purchase Intension</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brand Awareness</td>
<td>Pearson Correlation.</td>
<td>1</td>
<td>0.441</td>
<td>0.329</td>
<td>0.234</td>
</tr>
<tr>
<td>Sig. (2 Tailed)</td>
<td>0.000</td>
<td>0.000</td>
<td>0.000</td>
<td>0.000</td>
<td>0.000</td>
</tr>
<tr>
<td>Perceived Quality</td>
<td>Pearson Correlation.</td>
<td>0.441</td>
<td>1</td>
<td>0.297</td>
<td>0.318</td>
</tr>
<tr>
<td>Sig. (2 Tailed)</td>
<td>0.000</td>
<td>0.000</td>
<td>0.000</td>
<td>0.000</td>
<td>0.000</td>
</tr>
<tr>
<td>Perceived Price</td>
<td>Pearson Correlation.</td>
<td>0.329</td>
<td>0.297</td>
<td>1</td>
<td>0.351</td>
</tr>
<tr>
<td>Sig. (2 Tailed)</td>
<td>0.000</td>
<td>0.000</td>
<td>0.000</td>
<td>0.000</td>
<td>0.000</td>
</tr>
<tr>
<td>Social Influence</td>
<td>Pearson Correlation.</td>
<td>0.234</td>
<td>0.318</td>
<td>0.351</td>
<td>1</td>
</tr>
<tr>
<td>Sig. (2 Tailed)</td>
<td>0.000</td>
<td>0.000</td>
<td>0.000</td>
<td>0.000</td>
<td>0.000</td>
</tr>
<tr>
<td>Purchase Intension</td>
<td>Pearson Correlation.</td>
<td>0.362</td>
<td>0.365</td>
<td>0.413</td>
<td>0.509</td>
</tr>
<tr>
<td>Sig. (2 Tailed)</td>
<td>0.000</td>
<td>0.000</td>
<td>0.000</td>
<td>0.000</td>
<td>0.000</td>
</tr>
</tbody>
</table>

** Correlation is significant at the 0.01 level (2-tailed)

Table 5. Model Summary

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>0.607a</td>
<td>0.368</td>
<td>0.354</td>
<td>0.67508</td>
</tr>
</tbody>
</table>

a Predictors: (Constant), Social Influence, Brand Awareness, Perceived Price, Perceived Quality

Table 6. ANOVA

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>49.124</td>
<td>4</td>
<td>12.281</td>
<td>26.948</td>
<td>0.000b</td>
</tr>
<tr>
<td>1</td>
<td>Residual</td>
<td>84.310</td>
<td>185</td>
<td>0.456</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>133.434</td>
<td>189</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a Dependent Variable: Purchase Intention
b Predictors: (Constant), Social Influence, Brand Awareness, Perceived Price, Perceived Quality
Descriptive Statistics

Table 3 shows that all five variables were skewed with each other, brand awareness which shows -0.732, perceived quality -0.846, perceived price -0.363 and purchase intention -0.355; while social influence showed -0.251. However, the table shows that four out of five variables shows significant variance with Kurtosis with brand awareness is 0.737, perceived quality 0.455, perceived price 0.613 and purchase intention is 0.157. While social influence only shows negative variance of -0.103

Correlation Analysis

There is an indication that all factors are correlated and all are representing direction and strength of inter-relationship between each other. Table below shows that all the factors used in this study are average to highly correlation with each other with correlation coefficient range from 0.362 to 0.509. The strongest of all correlation is found between social influence and purchase intension. Second highest correlation is between perceived price and purchase intension. The weakest correlation among four existed between brand awareness and purchase intention with correlation coefficient of 0.362.

Regression Analysis

Regression analysis was performed in this study to predict the Asian youth behavioural intention towards global smartphone brands, which was based on four independent factors.

Model summary

Table 5 shows the summary of dimensions in predicting the Young Adults intention towards global smartphone with R = 0.607, R square is 0.368 and adjusted R square is 0.354, which simply mean that there is 35.4% of variance in SEA Young Adults intention towards global smartphone brand can be predicted by independent variables of purchase intention (brand awareness, perceived quality, perceived price, and social influence) this suggesting that model is good fit enough to predict student intention towards global smartphone. There is indication that regression analysis result shows that all four indicators of purchase intention are significant in influencing student intention towards global smartphone as shown in table --- as all the factors significant level is above 0.05. Therefore, the following hypotheses were accepted.

ANOVA Model Fit

This study calculates ANOVA on brand awareness, perceived quality, perceived price, social influence that study believed that they could significantly predict student intention to towards global smartphone brand. However, table is below shows value of 0.000 (sig value) which indicates that ANOVA model is significant fit as it is less than the alpha value of 0.05. This means that the framework used can significantly predict purchase intention on student towards global smartphone. Table below shows an ANOVA analysis of variance with score: F= 26.948, sig= 0.000.

Model Fit Analysis: Regression Coefficients

This research shows that there is significant with four factors/dimensions of global smartphone brand in terms of t-value and Beta. The brand awareness t-value =+2.372, perceived quality t-value is +1.791, perceived price t-value is +3.021 and social influence which is t-value is +5.651. However, P-value is also lower than 0.05 for each global smartphone brand factors suggesting that brand awareness, perceived quality, perceived price and social influence has positive and significant impact on SEA Young Adults intention towards global Smartphone brands. Similar to the previous research conducted, the findings are consistent (Chow et al., 2012; Shafiq et al., 2011). See the table below for the detail of t-value and Beta value.

Hypothesis Testing

The null (H0) and alternate (Ha) hypotheses and the significance level for alternate hypothesis (sig): is (alpha) = 0.05 and null hypothesis will be rejected if alpha value is less than 0.05 otherwise it will be accept.
Hypothesis 1

This hypothesis was focused on how brand awareness factor.

$H_0$: Brand awareness has positive significant influences on SEA Young Adults towards global smartphone brand.

$H_a$: Brand awareness has no significant influences on SEA Young Adults towards global smartphone brand.

Table 7 above shows that the result for hypothesis 1 with coefficient and $t=2.372$ while the $B$-value is 0.159 (less than alpha 0.05). Null hypothesis is accepted while alternate is rejected. This indicates that brand awareness can significantly influence SEA Young Adults’ intention towards global smartphone brand.

Hypothesis 2

Second hypothesis is focused on perceived quality.

$H_0$: Perceived quality has positive significant influences on SEA Young Adults towards global smartphone brand.

$H_a$: Perceived quality has no significant influences on SEA Young Adults towards global smartphone brand.

Table 7 above shows that the result for hypothesis 2 with coefficient and $t=1.791$ while the $P$-value is 0.197 which is acceptable with level of 0.01. Null hypothesis is accepted while alternate is rejected. This indicates that perceived quality significantly influence SEA Young Adults’ intention towards global smartphone brand.

Hypothesis 3

The third hypothesis focuses on perceived price.

$H_0$: Perceived price has positive significant influences on SEA Young Adults towards global smartphone brand.

$H_a$: Perceived price has no significant influences on SEA Young Adults towards global smartphone brand.

Table above shows that the result for the third hypothesis is $t=3.021$ while the $B$-value is 0.197 which is acceptable with level of 0.01. This indicates that null hypothesis is accepted, the alternate is rejected. This indicates that perceived price significantly influence SEA Young Adults’.

Hypothesis 4

The fourth hypothesis focuses on social influence.

$H_0$: Social influence has positive significant influences on SEA Young Adults towards global smartphone brand.

$H_a$: Social influence has no significant influences on SEA Young Adults towards global smartphone brand.

Table above shows that hypothesis fourth result is $t=5.651$ while the $B$-value is 0.364 and is acceptable with the level of 0.01. This indicates that null hypothesis is accepted, and the alternate is rejected.

The results of this analysis show that brand awareness have significant impact on purchase intention; this will help both foreign and local Smartphone brands to increase their profitability and will also enhance the overall performance.
of their brand. However, many scholars in previous researches conducted have pointed out that brand awareness seem to draw customer/individual attention to brand than other factors (Khantaan et al., 2014; Roorzy et al., 2014; Yaseen et al., 2011; Yi Lin, 2011). The findings of this study also shows that perceived quality have significant influence on SEA Young Adults intention towards global Smartphone brand in Malaysia which is supporting some of the findings in the previous researches, it is concluded that perceived quality has significant impact on brand performance and this increases brand awareness which leads to product performance (Irshad, 2012; Siahaan et al, 2014; Tih & Kean, 2013). Finally, the result of this study was attributed to the impact of purchase intention of young adults towards global Smartphone brands. This would help Smartphone brands to gain attention of the young adults in the region. Moreover, the prediction of brand awareness, perceived quality, perceived price and social influence are consistent with past research which indicates positive contributors of purchase intention on brand performance.

The results of this study indicate that purchase intention is significantly influenced SEA Young Adults towards global Smartphone brand and the findings are summarized as follows. Brand awareness shows statistical significantly influences on SEA Young Adults towards global Smartphone brand. Companies can ensure better performance by enhancing the brand image. Perceived quality shows statistically significant influence on SEA Young Adults towards purchasing global Smartphone brand. This result indicates that perceive quality can greatly influences brand performance and profitability in an organization. Perceived price shows influence on SEA Young Adults towards purchasing global Smartphone brand. This results show price still plays important role irrespective of brand and quality. There is statistically significant relationship between social influence and purchase intention towards global Smartphone brand. It is implied that global smartphone companies should focus more on these determinants of purchase intention which could influence SEA Young Adults to patronized their products. However, for an individual to decide on which product or brand to buy, there must be willingness and this could be develop during decision making process, the antecedents of purchase intention used in this study will enhance the level of individual willingness towards global Smartphone brand.

Conclusion

All four factors, viz., brand awareness, perceived price, perceived quality, and social influence significantly and positively affect purchase intension of South East Asian Young Adults towards global smartphone brands. Strongest positive correlation occurred between social influence and purchase intension which proves social influence is the most important factor of all which determines purchase intension. Perceived price is identified as second most important factor of all four which affects purchase intension of SEA Young Adults towards global smartphone brands. It can be concluded from regression analysis that the variables used in framework has definite impact on purchase intension and so purchase intension of SEA Young Adults towards global smartphone brands can be predicted using this framework.

It is recommended for entry level global smartphone brands to focus more on building social value while developing value proposition. Established players can think of modifying existing value proposition by enhancing social value. As price plays second important factor, sales can be increased by launching low-cost smartphones in this market. A combination of ‘enhancing social value’ along with ‘developing low cost product’ can result in big jump in sales of smartphone brands in the region.

Future research can consider various other factors affecting purchase intension like functional value, new product arrival/product life. Limitation of the research is sample of current study does not have data representation from Singapore Young Adults because of unavailability of Singapore students in Malaysia from where data is collected.
References


