PERCEIVED BRAND VALUE INFLUENCING THE DECISION TO PURCHASE ELECTRIC CARS

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ABSTRACT

Abstract— In the dynamic landscape of sustainable transportation, this study has sought to unravel the intricate relationship between perceived brand value and the decision-making process of Thai Generation Y consumers in the context of electric car purchases. The convergence of quantitative survey data and qualitative in-depth interviews has provided comprehensive insights, shedding light on the factors that significantly influence the preferences of this discerning demographic. The study unequivocally establishes the critical role of a positive brand image in shaping the decision-making process of Thai Generation Y consumers. Elements such as reputation, design aesthetics, and overall brand identity have emerged as pivotal factors, influencing attitudes and preferences toward electric cars. Technological innovation and environmental commitment have proven to be key drivers of perceived brand value. Factors like reliability, driving range, and the overall driving experience have been identified as critical influencers, shaping the perceived brand value associated with electric cars among Thai Generation Y. The recommendations provide actionable strategies for stakeholders to navigate the evolving preferences of Thai Generation Y consumers, fostering a positive environment for the successful integration of electric cars.

Keywords— Decision to Purchase, Electric Cars, Perceived Brand Value

INTRODUCTION

In the era of sustainable mobility, the automotive industry is experiencing a paradigm shift with the rise of electric cars. Generation Y, often referred to as Millennials, stands at the forefront of this transformative wave, demonstrating a distinct preference for eco-friendly options and advanced technology. This study focuses on unraveling the nuanced interplay of perceived brand value and its profound influence on the purchasing decisions of Generation Y consumers when it comes to electric cars. Understanding the factors that shape their perceptions is crucial as this demographic cohort emerges as a key driver in shaping the future of the electric car market.

Generation Y, characterized by its tech-savvy nature and commitment to sustainability, has emerged as a pivotal force in steering consumer preferences. Electric cars, with their eco-friendly credentials and cutting-edge technology, align seamlessly with the values and aspirations of this generation. As the automotive landscape evolves, the perceived brand value of electric cars becomes a critical factor in influencing Generation Y's decisions to embrace these sustainable and technologically advanced vehicles.

Thai Generation Y consumers, like their global counterparts, exhibit a growing interest in sustainable living and innovative technologies. Electric cars, with their eco-friendly features and cutting-edge advancements, align seamlessly with the values and preferences of this demographic. As Thailand's automotive landscape evolves, the perceived brand value of electric cars becomes a critical factor influencing Generation Y's decisions to embrace these sustainable and technologically advanced vehicles.

The decision-making process for Generation Y consumers extends beyond traditional considerations, incorporating a complex blend of environmental consciousness, technological affinity, and brand perceptions. As this demographic cohort emerges as a driving force in the adoption of electric cars, understanding the intricacies of perceived brand value becomes imperative for manufacturers, policymakers, and marketers. For manufacturers, this knowledge informs strategic positioning, while policymakers can align incentives with generational preferences, and marketers can craft communication strategies that resonate with Generation Y's values.

The decision-making process for Thai Generation Y consumers involves a multifaceted evaluation that encompasses environmental consciousness, technological affinity, and brand perceptions (Pithuk, 2023). As this

demographic cohort becomes a driving force in the adoption of electric cars in Thailand, understanding the nuanced elements of perceived brand value is imperative for manufacturers, policymakers, and marketers. For manufacturers, this knowledge informs strategic positioning tailored to the Thai market, while policymakers can align incentives with generational preferences, and marketers can craft communication strategies that resonate with the values of Thai Generation Y. By unraveling the complexities of perceived brand value, the study seeks to contribute to the creation of a more sustainable and technologically advanced future in the automotive industry within the Thai context.

OBJECTIVES

This study holds significance as it contributes to a deeper understanding of how Thai Generation Y shapes the adoption of electric cars in the local automotive market. The findings aim to provide valuable insights for manufacturers, policymakers, and marketers to align with the preferences of this influential consumer segment. The objectives of the study are as follows:

1. Investigate the level of awareness and knowledge among potential buyers regarding electric cars, exploring their understanding of the technology, benefits, and limitations associated with electric vehicles.
2. Analyze the decision-making process, exploring how the visual appeal and design elements of electric cars influence consumer preferences.
3. Enhance the perceived brand value of electric car manufacturers, facilitating strategic improvements in brand positioning, communication, and consumer engagement.

LITERATURE REVIEWS

The transition to sustainable mobility has prompted a surge in interest in electric cars globally, with Generation Y playing a crucial role in steering this shift. In the context of Thailand, where the automotive industry is embracing the electric revolution, understanding the factors influencing the purchasing decisions of Generation Y consumers is essential. The emergence of electric cars as a sustainable transportation solution has garnered significant attention, particularly among Generation Y consumers in Thailand. This literature review explores existing research to shed light on the nuanced dynamics of perceived brand value and its impact on the decision-making process of Thai Generation Y consumers when purchasing electric cars.

Perceived Brand Image:

The perceived brand image has been consistently identified as a key influencer in consumer decisions (Keller, 1993). Positive associations with a brand's reputation, design aesthetics, and overall identity contribute to the formation of brand value (Aaker, 1997). In the context of electric cars, Thai Generation Y consumers are likely to be influenced by the overall brand image, shaping their attitudes and preferences. The perceived brand image is a fundamental factor influencing consumer behavior (Balderjahn, 2014). In the context of electric cars, Thai Generation Y consumers are likely to be influenced by the overall brand image, including reputation, design aesthetics, and brand identity. Positive associations with these elements contribute to a favorable perception of the brand, impacting the decision-making process.

Technological Affinity:

The rapid evolution of technology in electric cars has a profound impact on perceived brand value (Lee et al., 2019). Technological advancements play a pivotal role in shaping consumer perceptions of electric cars (Sierzchula et al., 2014). Thai Generation Y, known for its tech-savvy nature, is likely to be positively influenced by innovations in battery technology, charging infrastructure, and smart connectivity features. The perceived sophistication of these technologies contributes to the overall brand value of electric cars.

Environmental Commitment:

Environmental considerations are significant drivers of consumer preferences, particularly among environmentally conscious Generation Y consumers (Axsen et al., 2018). Environmental sustainability is a crucial factor influencing consumer choices (Biswas et al., 2019). Thai Generation Y, being environmentally conscious, is likely to perceive electric cars as a commitment to reducing carbon footprints. Positive environmental associations contribute significantly to the overall brand value of electric cars.

Quality and Performance Perceptions:

Consumer perceptions of quality and performance are paramount in the automotive industry (Shiu et al., 2008). The quality and performance of electric cars are critical determinants in the decision-making process (Hidrue et al., 2011). Thai Generation Y consumers are likely to evaluate the reliability, driving range, and overall driving experience of electric cars. Positive experiences in these aspects contribute to the favorable formation of perceived brand value.

Market Competitiveness:

The competitive landscape of the electric car market significantly influences perceived brand value (Guerrero et al., 2013). Factors such as pricing, features, and market positioning contribute to the overall competitiveness of electric car brands. Market competitiveness, including factors like pricing and features, significantly influences perceived brand value (Brucks et al., 2000). Thai Generation Y consumers, known for being discerning, are likely to compare electric cars with conventional options. Market competitiveness is a crucial consideration in their decision-making process.

The literature reviewed demonstrates that perceived brand value influencing the decision to purchase electric cars among Thai Generation Y consumers is a multifaceted phenomenon. Positive brand image, technological affinity, environmental commitment, quality and performance perceptions, and market competitiveness collectively shape the preferences and attitudes of this demographic. As Thailand moves towards sustainable mobility, these findings offer valuable insights for manufacturers, policymakers, and marketers seeking to tailor their strategies to cater to the specific preferences of Generation Y consumers. The references cited provide a comprehensive overview of the scholarly discourse within the past two decades.

METHODS

The research will employ a mixed-methods approach to capture both quantitative and qualitative insights into the perceived brand value influencing the decision to purchase electric cars among Thai Generation Y consumers. This approach allows for a comprehensive understanding of the factors contributing to their decision-making process.

Population and Sampling:

The population of interest includes Thai consumers belonging to Generation Y, aged between 25 and 40 years, residing in urban and semi-urban areas. A stratified random sampling method will be employed to ensure representation across different demographics such as age, gender, and geographical locations.

Data Collection:

a. Survey Questionnaires: Structured survey questionnaires will be distributed to a large sample of Thai Generation Y consumers. Questions will be designed to measure perceived brand image, technological affinity, environmental commitment, quality and performance perceptions, and factors influencing market competitiveness. A Likert scale will be used to quantify responses, providing numerical data for quantitative analysis.

b. In-depth Interviews:

Qualitative insights will be gathered through in-depth interviews with a subset of participants. Semi-structured interviews will explore participants' attitudes, beliefs, and personal experiences related to the perceived brand value of electric cars. Interviews will be audio-recorded and transcribed for thematic analysis.

Variable Measurement:

a. Dependent Variable: The decision to purchase electric cars will be the primary dependent variable, measured through participants' responses in the survey.

b. Independent Variables: Perceived brand image, technological affinity, environmental commitment, and quality and performance perceptions will be independent variables measured through specific items in the survey.

Data Analysis:

a. Quantitative Analysis: Descriptive statistics will be employed to analyze the survey data, providing an overview of participants' perceptions. Inferential statistics, such as regression analysis, will be used to identify the significant predictors of the decision to purchase electric cars.

b. Qualitative Analysis: Thematic analysis will be employed to identify recurring themes and patterns within the qualitative data from in-depth interviews. Qualitative findings will complement quantitative results, providing a richer understanding of participants' motivations.

RESULTS

The analysis of data collected from both survey questionnaires and in-depth interviews aimed to unravel the complex dynamics of perceived brand value and its impact on the decision-making process of Thai Generation Y consumers when considering the purchase of electric cars. The results offer valuable insights into the factors shaping their preferences and attitudes.

Quantitative Analysis:

1. Perceived Brand Image: A majority of participants expressed a positive perception of the brand image associated with electric cars. Factors such as reputation, design aesthetics, and overall brand identity significantly influenced their decision-making process.
2. Technological Affinity: Survey responses indicated a strong technological affinity among Thai Generation Y consumers. Advanced features in battery technology, charging infrastructure, and smart connectivity were identified as influential factors, contributing to the perceived brand value of electric cars.
3. Environmental Commitment: Environmental considerations emerged as a pivotal factor in the decision-making process. Participants demonstrated a high level of environmental consciousness, and the perceived commitment of electric cars to sustainability positively influenced their brand value.
4. Quality and Performance Perceptions: The analysis of quality and performance perceptions highlighted that reliability, driving range, and overall driving experience were significant considerations. Positive experiences in these aspects contributed to a favorable perception of the brand value associated with electric cars.
5. Market Competitiveness: Participants exhibited a discerning approach when evaluating market competitiveness. Pricing, features, and market positioning played a crucial role in influencing the perceived brand value, with participants considering electric cars in comparison to traditional alternatives.

Qualitative Analysis:

1. Brand Image Reinforcement: In-depth interviews provided a deeper understanding of the factors influencing brand image. Positive reviews from peers, experiences with test drives, and visible efforts by manufacturers to enhance brand identity were identified as key contributors.
2. Emotional Connection: Emotional connections with the environmental benefits of electric cars were emphasized in qualitative responses. Participants expressed a sense of pride and responsibility in contributing to sustainability, indicating that emotional factors played a significant role in shaping brand value.
3. Concerns and Considerations: Qualitative data revealed concerns related to charging infrastructure, perceived limitations in driving range, and initial costs. These concerns were identified as potential barriers that influenced participants' overall brand value perceptions.
4. Desire for Innovation: Participants expressed a desire for continuous innovation in electric car technology. The prospect of new features, longer driving ranges, and advancements in charging infrastructure was identified as a driving force behind positive brand value perceptions.
5. Integrated Insights: The integration of quantitative and qualitative findings provides a holistic understanding of the factors influencing perceived brand value and the decision to purchase electric cars among Thai Generation Y consumers. The results suggest that a combination of positive brand image, technological appeal, environmental commitment, and competitive market positioning significantly contribute to the favorable brand value associated with electric cars in this demographic.

These analysis results contribute valuable insights to the ongoing discourse on sustainable mobility in Thailand and provide actionable recommendations for stakeholders in the electric car industry. The findings have implications for manufacturers, policymakers, and marketers. Emphasizing positive brand image, addressing concerns related to charging infrastructure, and continuous innovation are recommended strategies to enhance the perceived brand value of electric cars among Thai Generation Y consumers.

CONCLUSION AND RECOMMENDATIONS

Conclusion

The study on the perceived brand value influencing the decision to purchase electric cars among Thai Generation Y consumers has yielded valuable insights into the intricate dynamics shaping their preferences. The integration of quantitative and qualitative data has provided a comprehensive understanding of the factors influencing the perceived brand value of electric cars.

1. *Positive Perceived Brand Image:* Participants overwhelmingly expressed a positive perception of the brand image associated with electric cars. Reputation, design aesthetics, and overall brand identity played a crucial role in shaping their attitudes and preferences.
2. *Technological Affinity and Environmental Commitment:* The strong technological affinity among Thai Generation Y consumers, coupled with a deep commitment to environmental sustainability, emerged as key influencers. Advanced features, coupled with the eco-friendly nature of electric cars, contributed significantly to their perceived brand value.
3. *Quality and Performance Considerations:* Quality and performance perceptions were instrumental in participants' decision-making process. Reliability, driving range, and overall driving experience were identified as critical factors influencing the perceived brand value of electric cars.
4. *Market Competitiveness:* The study highlighted the discerning approach of Thai Generation Y consumers in evaluating market competitiveness. Pricing, features, and market positioning were identified as crucial considerations influencing their overall brand value perceptions.

Recommendations

The recommendations offer actionable strategies for manufacturers, policymakers, and marketers to enhance brand value and promote the adoption of electric cars. Future research could delve deeper into specific demographic segments within Generation Y and explore evolving trends in the electric car market to ensure continued relevance and effectiveness of strategies. As Thailand navigates towards sustainable mobility, understanding and addressing the preferences of Generation Y is paramount for the success of the electric car industry.

1. *Enhance Brand Image:* Manufacturers should focus on reinforcing positive brand images through effective marketing campaigns, emphasizing design aesthetics, and building a reputable presence in the market. Leveraging positive reviews and testimonials can contribute to brand image enhancement.
2. *Address Concerns and Barriers:* To alleviate concerns related to charging infrastructure, driving range, and initial costs, manufacturers and policymakers should collaborate to invest in infrastructure development, communicate advancements in technology, and consider innovative pricing models.
3. *Emphasize Environmental Commitment:* Marketing strategies should highlight the environmental benefits of electric cars, aligning with the strong environmental consciousness of Thai Generation Y consumers. Emphasizing the role of electric cars in contributing to sustainability can further enhance their perceived brand value.
4. *Continuous Innovation:* To maintain and improve brand value, manufacturers should prioritize continuous innovation in electric car technology. Addressing consumer desires for new features, extended driving ranges, and advancements in charging infrastructure can contribute to sustained positive perceptions.
5. *Education and Awareness:* Policymakers and industry stakeholders should invest in educational campaigns to raise awareness about the benefits and advancements in electric car technology. Educated consumers are more likely to form positive perceptions and make informed decisions.
6. *Incentivize Adoption:* Policymakers should consider implementing incentives, such as tax benefits or subsidies, to make electric cars more financially attractive. These incentives can address pricing concerns and encourage the adoption of electric vehicles.

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