

The Analysis of Motivation Towards Luxury Car Consumption in Surabaya

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ABSTRACT

Indonesia has a big potential in automotive sales and automotive business. The number of car consumed by public is proven increased in drastic every year, as followed by the consumption of luxury car in Indonesia. According to the data, Mercedes Benz considered as the best automotive brand that provide and sold luxury car in Indonesia. This thing is very interesting to be analyzed considered the price offered is quite high for the luxury car and the competition is very stiff in Indonesia. This research conducted to analyze the motivation of consumer behind the luxury car consumption in Surabaya using the simple random sampling. The data obtained by spreading questionnaires to 100 respondents in Surabaya, then analyzed using Multiple Linear Regression Analysis. The result showed that motivation proven to have significant effect towards the luxury car consumption in Surabaya. Personal value and personal motivation as part of the motivation is proven to have big effect toward luxury car consumption in Surabaya

Keywords: Motivation, consumption, automotive, consumer behavior

ABSTRAK

Indonesia memiliki potensi besar dalam penjualan dan bisnis mobil mewah. Jumlah konsumsi mobil oleh penduduk terbukti meningkat drastic tiap tahunnya, begitu pula dengan konsumsi mobil mewah di Indonesia. Berdasarkan data yang ada, Mercedes Benz dianggap sebagai merek otomotif terbaik yang menjual mobil mewah di Indonesia. Hal ini sangat menarik untuk di analisa menyangkut harga yang ditawarkan jauh lebih tinggi dari mobil umumnya dan tingkat persaingan bisnis otomotif di Indonesia sangatlah ketat. Penelitian dilakukan untuk menganalisa motivasi konsumen dibalik konsumsi mobilmewah di Surabaya menggunakan simple random sampling. Data diperoleh dengan mendistribusikan kuesioner kepada 100 responden di Surabaya dan kemudian di analisa menggunakan Multiple Linear Regression Analysis. Hasil penelitian menunjukkan bahwa motivasi terbukti mempengaruhi konsumsi mobil mewah di Surabaya. Personal value dan personal motivation yang merupakan bagian dari motivasi terbukti mempunyai pengaruh yang signifikan terhadap konsumsi mobil mewah di Surabaya.

Kata Kunci: Motivasi, konsumsi, otomotif, perilaku konsumsi

INTRODUCTION

For the recent years, the consumption toward automotive product has shown significant increases. Nowadays, automotive product became a primary thing that every family should have. The number of Indonesian rich people is increasing per years and it automatically increases the ability of owning car. According to data of Wealth Insight in 2013, the number of Indonesian rich people is reaching 37.000 people with average wealth of US\$ 250.8 million per person which collectively worth US\$230 billion and rose up to 62% since 2009. The number

grows by 22.6% in 2014, which reaches 45.300 people. This number surpassed India which record 17.1% and China which only 7.9% (Sujantyo, 2014).

The transportation type in Indonesia is considered as private vehicle and public transportation by the ownership. Private vehicle itself also offers many advantages rather than public transportation, such as more road option, flexibility, freedom and lifestyle. The automotive brands also offer various type and variety of car with various price ranges.

The number of passenger car has increases up to 11 percent in year 2013 compared to previous year. The increase in number of passenger car in Indonesia is

caused by the increases number of Indonesian citizens. The number of citizen in Indonesia in 2013 is predicted to increase by 250 million or 1.49 percent per years (Buhori, 2013). These significant increases population growth supports the increasing number of vehicle in a country (York, 2014). These increases number of vehicle in Indonesia will also make bigger chance related increasing of luxury car in Indonesia.

Many brands in market offer various luxury automotive products with high quality followed by high price, such as Mercedes S class, BMW M series, Nissan GTR, Lamborghini Aventador and etc. There is stiff competition of many automotive brands in offering their high-end automotive product. These automotive brands offers automotive product with higher class, quality, services, and price rather than common passenger car (DeMuro, 2014).

Besides the offering of high-end automotive product, these luxury cars will somehow have less benefits rather than daily use car. The luxury car will show more disadvantages in terms of passenger capacity, less road option, high fuel consumption, expensive cost maintenance, and expensive tax cost rather than daily passenger car (DeMuro, 2014) but somehow the number of luxury car is still increasing. Indonesia itself shows the positive trend and great potential of luxury car consumption. According to Autocar Indonesia, the trend sales of BMW and MINI in Indonesia shows increasing 6% of total sales in 2014 or reached 3442 units in 2014 compared to 3247 units in 2013. Based on the sales at the IIMS event 2014, Mercedes Benz showed great record with the twice of total sales compared to previous year; 300 units sold in 2013 become 600 units sold in 2014 (Sanjaya, 2014). It is believed that the increasing trends of luxury car consumption in Indonesia will still be increasing in 2015.

This topic is related to the motivation toward luxury car consumption, especially luxury car consumption in Indonesia. To start a consumption activity, an individual should have a motivation first. Motivation is considered as a force that prompts action (Pinder, 1998) and relates to conscious or unconscious decision involving how, when and why to allocate effort to a task or activity (Eysenck & Eysenck, 1985).

Luxury is a concept that is wide and difficult to define. However, Danziger (2005) argues that luxury consumption is no longer linked to status-seeking but revolves around the need for experience and self-indulgence. Luxury consumption is also defined as how wealthy individuals maintain or attain a given social status through the consumption of highly conspicuous goods in order to exhibit their wealth (Veblen, 1899).

According to Nwankwo, Hamelin and Khaled (2014), the motives behind consuming luxury goods can be separated into demographic, personal values, personal motivation for the purchase of luxury goods and the type of purchase and motivation. Based from

that journal, the author is interested to find out the reason of consuming luxury car in Indonesia by the demographic, personal values, personal motivation for the purchase of luxury goods and type of purchase and motivation points. The author would like to know what are the motives, benefit and the most influential factor that affects toward the purchase intention of luxury car in Indonesia based on those variables stated before.

Based on data in Minister of Industry, the sales of luxury car in Indonesia will keep increasing and reach 40 thousand units in the next five years compared to this year sales which around 8-10 thousand units only and believed to increase Indonesia GDP reaches US\$ 6000 in 2017 (Hidayat, 2012). As the increasing number of luxury car in Indonesia, it is important to know and understand better about the trend of luxury car consumption in Indonesia. By that, it will enable the automotive company to learn and understand the demand and motive of automotive consumer regarding luxury automotive product consumption. After that, the automotive brand will be able to fulfill the demand of market and provide better products and services related to luxury car in the future.

The writer chooses Mercedes Benz as the research target and scope because the brand itself offers premium automotive product and shown significant sales increases compared to previous year (Sanjaya, 2014). Mercedes Benz rank number 1 as the leader of market share of 2013 premium car marketing Indonesia. Mercedes Benz itself considered as the best automotive brand that sold luxury car in Indonesia (hariantop.com, 2014). Compared to other worldwide automotive brand competitor, Mercedes Benz got 2nd rank of the best automotive brand following Toyota as the brand leader (Adi, W.G, 2014).

Through this research aimed for the improvement toward automotive brands in Indonesia regarding learning and understanding the demand and motive of luxury automotive product in Indonesia. This research will help the automotive brands due to improvement and maintaining the business performance in Indonesia.

LITERATURE REVIEW

Motive

Motivation can be described as a need or desire that drives behavior and directs it towards a goal. Motivation is closely related to human needs. According to the theory of Maslow (1943), it is stated that people are motivated in achieving certain needs. Motivation can drive the conscious or unconscious decision related to how, when, and why a person is willing to start a task or activity (Eysenck, 1985). Motivation is the base of someone to start doing or want to reach something in his life. The human motivation is started and decided by his own decision and objective in his life, whether to get the internal reward like self benefit, satisfaction, or even for the external reward such as prizes or gifts.

In this research, the author will take a deeper analysis on the human motivation, especially on the consumption motive towards luxury car. According to Wilson (2015), consumer motivation is the condition where it drives people to identify and buy products or services that fulfill their conscious and unconscious needs or desires. In order to do the consumption activity, a person could research, evaluate and test, before making the consumption decision that is closest with the motivational wants and needs. In terms of buying luxury goods, “buying luxury brands serve various consumer needs and motives such as specific social class, communicate a desired self image and provide self-concept reinforcement, a visible proof that the consumer can afford higher priced products” (Nia & Zaichkowsky, 2000). The consumption motive itself should be adjusted with the personal ability and buying power to meet needs and desires. How people see a product as the luxury goods or prestige of brand is the result between self-motivation of a person related to personal needs or desires with the social environment that effect his motivation toward luxury good consumption. Moreover, the motive variable can be separated into three categories which are socio-demographics, personal values and personal motivation for the purchase of luxury goods (Nwankwo, Hamelin, & Khaled, 2014).

Socio-demographics

Socio-demographics is analyzing subject person based on the mix between sociological and demographic. Sociological can be refers to the study of human social life, groups, and societies toward social needs or problems (Giddens, 1989). In sociological, the analysis will take deeper understanding of the subject by his individual characteristics and preferences. Related to consumption motive, sociological also concern about his ability and power to purchase the demanded products or services.

The consumption motive is also related to where the subject lives or stays, which is analyzed by demographic. Demographic defined as the study of the size, territorial distribution, and composition of population, changes of therein, and many other components (Hauser & Duncan, 1959).

Personal Values

Personal Values defined as implicitly related to choices. The personal value itself is the concept that describes the beliefs of an individual or culture (Fiset, 2015). Every human being has different preferences of values. Schwartz (1994) described personal values as “the motives that led people’s lives, the significance of which varies depending on conditions and goal they want to achieve”. Personal values often considered as very subjective related to the background of the subject. Personal values can also be affected by particular groups or system, culture, religion, political party, family, nation and social environment.

Related to consumption behavior, personal values become really important because it is related with the personal beliefs of what is the most important in the way he live or work. For example, for someone who value price of a product or service over the quality and brand of the product, he will set the worth price as the priorities in making purchase decision. The way he chooses and consumes is really affected by the price of the product or service compared to other substitutes. By that type of personal value, he believes that price is the most important thing to be considered in consuming a product or service. Related to that consumption decision, “the elements such as the feature of the product, benefits and which needs it meets must be related to personal values” (Gutman, 1982).

Personal Motivation for the Purchase of Luxury Goods

In every consumption activity done by a person, there is always personal motive behind it. Related to the purchase of luxury goods, personal motivation can be explained as an internal or external drive that prompts a person to do luxury goods consumption (Taylor, 2012). The motive behind consuming luxury goods itself contains the demanded benefit and personal objective towards that consumption activity. Luxury goods often believed as the media to bring self-esteem and prestige through its facilities to their consumer (Vigneron & Johnson, 2004). The luxury goods consumption can be one of the causes of personal motive to make the better changes he want in his life. Personal motivation for the purchase of luxury goods will analyze the subject of study by personal objective and demanded benefit in order to gain optimal result of analysis and deeper understanding related to luxury goods consumption.

Luxury Goods Consumption

According to Caroll (2015), consumption in economics perspective defined as the use of goods and services by households. This consumption activity is meant to get a future benefit or a specific objective. Related to this research, the author will take a deeper look on consumption activity towards luxury goods especially luxury car. Luxury goods itself has various and wide definitions. In short way, luxury goods defined as “those scarce products with an objective or symbolic extra value, with a higher standard of quality, and with a higher price than comparable products” (Mortelmans, Sign Values in Processes of Distinction, 2005). Many research concluded that there is a needs or goal behind the luxury goods consumption. Veblen (1899) investigated how individuals maintain or reach a given social status through the consumption of highly conspicuous goods in order to show their wealth. Other research concluded that buying luxury brands is to portray a specific social class, communicate a satisfied desired self image and provide self-concept

reinforcement, a visible proof that someone can afford higher priced products (Nia & Zaichkowsky, 2000). Related to the topic research, luxury car nowadays can be defined as an overall size, space, comfort, unique, presence, the reputation of the brand, product promotion and advertisement, and the satisfaction owning certain brand (Fiza, 2013). The luxury car will automatically lead to premium value, high price, wealth people, high maintenance and luxury goods. Buying luxury goods such as buying luxury car will also lead into higher status social and self-image. Previous research stated “for those in lower social classes, the possession of luxury goods is a way to bond with or be seen to be part of the upper classes” (Truong, 2010).

The motive that used in this research is based on the theory of Nwankwo, Hamelin, & Khaled (2014) which separated the motive into three factors; socio-demographic, personal values and personal motivation on luxury goods consumption. The author believes that those three factors can be tools to take a deep analysis on the motive behind luxury car consumption. According to Danziger (2005), luxury consumption is no longer linked to status-seeking but revolves around the need for experience and self-indulgence. People of different genders, races, or ages relate differently to luxury.

This research will take a deep analysis of socio-demographic, personal values and personal motivation as the variable of motivation to be related with the intention to purchase the luxury goods. The author chooses socio-demographic factor because according to Sheth, Newman, and Gross (1991), the force of personal value lies in utility perception arising from image and symbolism related to demographic, socio-economic and cultural referents. However, Parks and Guay (2009) stated that “personal values and value perception constitute the principal driving force behind purchase intention for luxury goods”, therefore personal value and personal motivation can be presented as the variables to analyze the motive behind luxury good consumption. Below is the model of the relationship between concepts to analyze this case.

RESEARCH METHOD

The type of research method used in this research is reporting study. According to Cooper and Schindler (2014), reporting study is the research that analyze and provides data to achieve understanding through statistical and compilation of data. This study requires the researchers to have “knowledge and skill with information sources” (Cooper & Schindler, 2014). The reporting study will usually requires little inference or conclusion drawing.

According to Cooper and Schindler (2014), variable can be defined as “a symbol of an event, act, characteristic, trait, or attribute” to measure and assign value.

Socio-demographic is the analyzing subject person based on the mix between sociological and demographic. In the detail, socio-demographic will analyze the subject related with how large or small populations are, size, age, sex, race, income, marital status, physical space, spatial distribution, and other characteristics (Bogue, 1969).

The personal value can be defined as the concept that describes the beliefs of an individual or culture (Fiset, 2015). Personal values often considered as very subjective related to the background of the subject, which can be affected by the particular groups or system, culture, religion, political party, family, nation and social environment. The personal value can set the goal, priorities, and direction for someone’s life (Weiler & Schoonover, 2001).

Related to the purchase of luxury goods, personal motivation can be explained as an internal or external drive that prompts a person to do luxury goods consumption (Taylor, 2012). The motive behind consuming luxury goods itself contains the demanded benefits and personal objective related to that consumption activities.

Luxury goods itself believed as the product that is scarce and included with extra value, higher standard of quality, and higher price compared to comparable products that brings satisfaction to consumer (Mortelmans, 2005).

Related to the topic of the research, luxury car nowadays can be defined as an overall size, space, comfort, unique, presence, the reputation of the brand, product promotion and advertisement, and the satisfaction of owning certain brand (Fiza, 2013). According to Moya (2012), the final objective of luxury goods consumption is the consumer satisfaction and product repurchase as the sign of successful sales luxury good in the market.

In measuring the dependent variables, the author will use five indicators mentioned above, and use 5-points Likert scale as the measurement indicator ranging from strongly disagree to strongly agree.

The population in this current study is people that consumed or owned the luxury car “Mercedes Benz” and live in Surabaya. The author choose the people who consumed or owned the Mercedes Benz as the subject of this study because it related with the topic of motive towards luxury car consumption and since the Mercedes Benz is considered as the best luxury car seller in Indonesia (hariantop.com, 2013). Surabaya is chosen because it is considered as the richest city in Indonesia (Surabaya.go.id, 2014) and the second largest city in Indonesia (jatimprov.go.id, 2014). The population has age range from 18 years old until more than 50 years old with various type of occupation (University student, employed, unemployed, entrepreneur, and other) and also the status and income level of the respondents to measure the effect of personal background towards the intention to consume luxury car.

In this research the author use one of probability sampling method which is simple random sampling, in order to achieve generalizability. The author will distribute the questionnaire through online questionnaire (Google Forms).

The number of sample size will be based by the formula developed by Green (1991)

$$N > 50 + 8m$$

Where:

N = Number of subjects

M = Number of predictors

There are three independent variables used in this research. Therefore, the number of respondents must be more than 74 respondents.

In this research, the author will observe the motive towards luxury car consumption and analyzing which dimension of motive factors that has highest effect towards luxury car consumption, multiple regression analysis will be used. This research needed to be done to fulfill the validity, reliability, and classic assumption test.

According to Cooper and Schindler (2014), there are three criteria needed to evaluate measurement tool as a good one, which are validity, reliability, and practical. Validity is defined as the measurement approach or instrument in analyzing, describing, and quantifying what is designed to measure (Weiner, 2007). Validity is important because it reflects the errors in data, especially in systematic or constant measurement. As stated by Ghazali (2011), a questionnaire can be said as a valid questionnaire when it is clearly able to reveal anything that is needed to be measured in that questionnaire. According to him, validity test will be applied in the data result by comparing the value of r (r -data) calculated from the questionnaire with the r value from the table (r -table). This test can be applied in the SPSS output to find the *degree of freedom* or (df) = $n-2$, which “ n ” represents the quantity of sample. This test will check the result from output of Cronbach Alpha in the column of Correlated Item-Total Correlation. If value of r (r -data) is higher than r -table, than the indicators from the questionnaire are said as valid.

The second criterion is reliability. According to Cooper and Schindler (2014), reliability means it concerns about which “a measurement is free of random or unstable error”. Reliability is believed as the tool to measure whether the questionnaire which as the indicator from variables is stable or consistent from over times (Ghozali, Aplikasi Analisis Multivariate Dengan Program SPSS, 2011). According to Pallant (2005).

The test will test reliability of the variables by using Cronbach Alpha of the variable and it is said to be reliable when it is higher than 0.6 (Mei, Hua, & Yong, 2007). If the result is closer to 1, it means it has better reliability related to particular variable.

According to Dixon and Massey (1969), the statistical test is the test provides a mechanism for

making “quantitative decisions” about a process or processes. The statistical test aim to determine whether there is enough evidence to “reject” a conjecture or hypothesis related to the process.

Normality test is the statistical process used to analyze a sample or group of data fits in a standard normal distribution by mathematically or graphically (Elliot & Woodward, 2007). According to Thode (2002), the most used model for normality test is Kolmogorov-Smirnov (K-S). The tests are aimed to compare the score of the sample in normal distributed set of scores with the same mean and standard deviation (Elliot & Woodward, 2007). In Kolmogorov-Smirnov test, the residual is normally distributed when the significant level is higher than 0.05.

Autocorrelation is the test to know whether there is any correlation between variables in t period with variables in prior period ($t-1$) (Nugroho, 2011). Autocorrelation test can be applied in time series data not in cross sectional data. The autocorrelation test can be done using Durbin-Watson test to find the errors in the regression models. According to Ghazali (2011).

Multicollinearity test is the test to know how high correlation between independent variable in multiple linear regression test (Mahendra, 2011). The higher collinearity between independent variables will disturb relationship between independent and dependent variable. The researcher should consider the tolerance value and variance inflation factor (VIF) in order determine whether the independent variables are correlated or not. When the tolerance value is less than 0.10 means there is no multicollinearity. The variance inflation factor (VIF) is the reciprocal of tolerance value, and if it goes higher than 10.0 means the possibility of multicollinearity exists.

Heteroscedasticity test is a test to analyze and identify the variance differences from residual in the observation with other observations (Mahendra, 2011). Heteroscedasticity can be tested by graphic analysis to put the dependent value and residual values of dependent variable into. The second method to analyze the heteroscedasticity is using Park Test by using Ln square of the residuals. If the level of the significance of F (P -value) is higher than the 0.05 then there is no heteroscedasticity. Otherwise, if the value is lower than 0.05 means that there is indication of heteroscedasticity from the data.

The author will use multiple linear regressions to measure the relationship between motive and luxury car consumption. The multiple linear regressions will be used when there is one dependent variable but there is more than one independent variable.

F-test

F-test is the test to measure the overall significance of the model. The F-test will analyze whether the independent variables affect the dependent variables in the research. In the F-test, the author will

check the significance F (P-value). In the F-test, the P-value will be compared toward the significance level.

In examining the regression model, the hypothesis that needs to be tested is:

H0: Motivation factors simultaneously does not significantly influence towards luxury car consumption.

H1: Motivation factors simultaneously has significant influence towards luxury car consumption.

T-test

T-test is the test to determine the influence of each independent variable related to dependent variables by using significance t (P-value) (Ghozali, 2011). In the T-test, the author will check the significance t (P-value). In the T-test, the t-value is compared with the t-table.

In examining the regression model, the hypothesis that needs to be tested is:

Socio-demographic

H0: Socio-demographic does not significantly influence towards luxury car consumption.

H1: Socio-demographic has significant influence towards luxury car consumption.

Personal Value

H0: Personal Value does not significantly influence towards luxury car consumption.

H1: Personal Value has significant influence towards luxury car consumption.

Personal Motivation

H0: Personal Motivation does not significantly influence towards luxury car consumption.

H1: Personal Motivation has significant influence towards luxury car consumption.

Adjusted R Square

Adjusted R square is the test to measure how far the model can explain the dependent variables. The Adjusted R square is used to know how much the effect of independent variable towards dependent variables (Ghozali, 2011). The low value of Adjusted R square will show that the independent variables have weak influences towards the dependent variable. According to Cooper and Schindler (2014), the closer the result of the Adjusted R square to 1 means the better the model is to analyze the condition of the population.

RESULTS AND DISCUSSION

The result value of Cronbach’s Alpha is 0.712, then Socio-demographics is considered as a reliable variable which higher than 0.1966, means all the indicators of the socio-demographics are considered as valid. Moreover, the value of Cronbach’s Alpha is

0.646. it means all the indicators of the personal value has corrected item-total correlation value higher than 0.1966, means all the indicators of the personal value are considered as valid. The value of Cronbach’s Alpha is 0.663. It shows that all the indicators of the personal motivation has corrected item-total correlation value higher than 0.1966, means all the indicators of the personal motivation are considered as valid. The value of Cronbach’s Alpha is 0.645. Based on that, luxury car consumption variable is considered as a reliable variable. All the indicators of the luxury car consumption variable has corrected item-total correlation value higher than 0.1966, means all the indicators of the luxury car consumption variable are considered as valid.

Normality Test result is 0.470 shown that the model is normally distributed. Autocorrelation test result is the du 1.736. Multicollinearity test result indicates that there is no sign of multicollinearity existed between independent variables of this multiple regression model. Heteroscedasticity test results there are no heteroscedasticity in this model.

The value of significance of the model is much lower than significance level 0.05 which resulted 0.00. This value means that the writer will reject the null hypothesis and decided that motivation has significant influence toward luxury car consumption.

Table 1. Regression Coefficients Table

Model	Unstandardized Coefficients		Standardized Coefficients		T	Sig.	Collinearity Statistics	
	B	Std. Error	Beta				Tolerance	VIF
1 (Constant)	.488	.569			.858	.393		
SDAVG	.063	.066	.081	.961	.339	.979	1.021	
PVAVG	.492	.093	.447	5.304	.000	.971	1.030	
PMAVG	.346	.094	.310	3.697	.000	.983	1.017	

a. Dependent Variable: LCAVG

The value of adjusted T Square is 0.318 or 31.8% of the variation in the motivation as independent variable can explain the variation of luxury car consumption as dependent variable, while 68.2% of other variables outside the regression model that might influence the luxury car consumption especially Mercedes Benz product.

Based on that result, we can conclude that the independent variable has 31.8% affecting the dependent variable. The rest 68.2% are other variables outside the regression model that might influence the luxury car consumption especially Mercedes Benz product. Related to the result of current research, one of the affecting independent variable is personal motivation which consists of consists with the consumer emotion, consumer pride, product function towards Mercedes Benz automotive product, hence there is a similarity between the result of the current

research with the conclusion of the article by Moya(2012) which aimed the satisfaction and repurchase willingness as the final objective of luxury goods consumption and considered the personal motivation of the consumer as the basis of luxury goods consumption.

The result of the current research also has the similar result with the article by Nwankwo et al., (2014) which in the terms of the family background, culture background, and society background in the personal value variable. Some factor such as quality of the product also related in the variable of luxury car consumption as the reason why consumer chooses the luxury goods as their consumption preferences.

Related to the article by Yi et al., (2013), the three important variables of the article (attitude, activities, and purchase motivation) are closely related with the personal motivation variable. The attitude and activities value can be related in the factors in personal motivation variable such as “self-respect as the life prioritization” and “fun and enjoyment of life as the life prioritization” towards the luxury car consumption. The purchase motivation can also be related to factors in personal motivation such as pride and product function. The result of this article is closely similar to the t-Test of the current research which considering the personal motivation as one of the most affecting factors that influence the luxury car consumption especially Mercedes Benz automotive product.

CONCLUSION

In this section, the writers will summarize the results and finding of the current research in order to find the relationship between motivation and the intention to consume luxury good especially luxury car. The writers used the data from distributed questionnaires to Mercedes Benz car owner and Mercedes Benz Owner community through online questionnaires in Surabaya. The questionnaire gathered 100 respondents and resulted that the data is normal, yet there is no autocorrelation, multicollinearity and heteroscedasticity exist inside it. The motives behind the luxury car consumption, based on the variables of the research and analyzed from previous researches, the socio-demographic, personal value, and personal motivation believed as the motive behind the luxury car consumption. The benefits that satisfy the consumer in consuming luxury car, the writer believes that the benefits received by consumer in consuming the luxury car are explained in the personal value and personal motivation variable. The writers believed that the benefits of consuming the luxury car can be refer to the personal objective such as consumer satisfaction, future benefits such as pride, and best product functional. From the result of t-test, we can conclude that the motivation to consume the luxury car are mostly affected by the personal aspect such as personal motivation and personal value in order to reach the consumer satisfaction and repurchase

intention as the final objective behind the luxury car consumption. However, based on the result of R squared test, the value of R squared value was only 31.8%. Thus, there are still 68.2% of the variance in the population that could not be explained using this model.

The recommendation from the writers would be in the form of way to know and understand better what are really demanded by the consumers. This way can be in form of deeper research and development about the meet between what can the company provide to the consumer and what is really demanded by the consumers such as consumer satisfaction, pride, product functions, etc. If the company is able to understand better about their consumer, that would be the key to boost the sales of the product alongside with the maintaining the quality of the product. Mercedes Benz Company can also provide more facilitation inside their luxury car and provide better product functional such as product quality, durability, and others things that supports the performance of the product itself in order to stay competitive compare to other automotive companies who sold their luxury car products.

The other recommendation would come from how they introduce the values provided by Mercedes Benz luxury car to their consumer. The promotion and advertisement would enhance better understanding and provoke the consumer’s desire to buy the Mercedes Benz luxury car. The value provided refers to the pride of using Mercedes Benz car, better social status and self-image, alongside with the best quality of the product given to the consumers. Mercedes Benz should maintain their rank and performance as the best luxury car seller in Indonesia by keeping the value as the best luxury automotive product that sold in Indonesia.

In conducting this current research, the limitation face by the writers can be found in the limited independent variable. This current research only uses the motivation as the independent variable to explain the luxury car consumption as the dependent variable. According to the R squared value, there are still 68.2% of the variance in the population that could not be explained using this model. This 68.2% unexplained variance should be able to explain by other factors rather than motivation only. Based on the limitations of this current research, the writers try to give suggestion about better way to help the research which will be conducted in the future: Increase the Number of Independent Variable.

According to the R squared value, there is still 68.2% of the variance in the population that could not be explained using this model. The writers believed that the increasing number of independent variable such as government policy, competitors, economic situations, and many other factors towards to the luxury car consumption will give better result in describing the possible factors and decrease the possibility of the unexplainable variance in the research.

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