

Theoretical framework for research study



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Chapter 3 Research Methodology

3. 0 Overview

As chapter 1 had discussed about the introduction to the research and chapter 2 had provided an insight into the literature review, chapter 3 would be focusing on the research methodology that would be carried out during the course of the research. In essence, it is the foundation of how data would be collected and analyzed.

Chapter 3 would begin by discussing on the theoretical framework designed specifically for this paper, encompassing and providing an overview and relationships of all the variables present in this research. From then on, 3. 2 would discuss about the different forms of hypotheses development and the chosen method for the researchers hypotheses. Proceeding through, 3. 3 would discuss about the sampling design, or in other words, how the researcher intends to represent the target population. This section also gives detailed steps on the researcher's planned implementation of a pilot test, the sampling design method used and the sampling procedures that would be initiated.

Section 3. 4 would then touch base on the data collection methods that would be used by the researcher, both secondary and primary sources. The data analysis section would be under 3. 5, where techniques regarding the methods of data analysis and hypotheses testing would be discussed.

Chapter 3 would then conclude with a chapter summary at 3. 6.

3. 1 Theoretical Framework

The theoretical framework has been created to be a “ conceptual framework of how one theorizes or makes logical sense of the relationships among the factors that have been identified as important to the problem” (Sekaran, 2003). It is developed to have an insight into the inter-relationships among the variables that exist in this research.

Throughout this research, there are three set of variables have been identified to be of utmost importance to the researcher and can be categorized as the dependent and independent, and moderating variable.

The dependent variable is the variable of primary interest to the researcher, in order to predict its variability. This variable is often known as the outcome variable. In this research, the dependent variable refers to the purchase of luxury goods by Generation Y. The independent variables on the other hand, are the factors that influence the dependent variable in a positive or negative way or in this context, the factors that influence the purchase of luxury goods. Figure 3. 1 provides an insight into the relationship between both set of variables.

3. 2 Hypotheses Development

A hypothesis can be defined as “ a supposition made on the basis of limited evidence as a starting point for further investigation” (www. askoxford. com).

Generally, reference group influence is a group of people influences the individual’s behaviour. They give the information and provide the awareness to specific brands or products. The reference groups influence can be affected through peer, families, celebrities and others are the key that etermine the purchase decision of Generation Y. “ People tend to behave in <https://assignbuster.com/theoretical-framework-for-research-study/>

accordance with a frame of reference produced by the groups to which they belong” (Bearden and Etzel 1982). Therefore, this study believes that the association exists between reference groups influence and purchase of luxury goods. To empirically prove this association, the first hypothesis of this study is formed as follows:

H1: There is a significant relationship between reference groups influence and purchase of luxury goods.

The conspicuous consumption is used to display wealth, power and status. Veblenian consumers attach a greater importance to price as an indicator of prestige because they want to impress others. Price of the products determine the quality of the products which used by the consumers to judge the products. The researches show that “conspicuousness of a product was positively related to its susceptibility to reference group influence” (Vigneron and Johnson, 1999). Besides that, identity or self concept also has been displayed from the consumers to show the status and wealth. The conspicuous consumption had dominated in numerous researches, and it can be stated that conspicuous is important to be identified as perceived value (Vigneron and Johnson, 1999). Thus, the following hypothesis is formed for the association between perceived conspicuous value and purchase of luxury goods.

H2: There is a significant relationship between perceived conspicuous value and purchase of luxury goods.

The perfectionist effect exists when “consumers purchase luxury items and expect superior products and performance as well as quality” (Vigneron and Johnson,

1999). The research conducted by Barnier, Rodina, Florence (2005) found that quality is the main criteria lead to luxury purchase. According to Luong Thi Bich Thuy (2008), “ the consumer’s quality perception would play a positive role over his or her perception of prestige over the same brand if the consumer perceived the brand as having an excellent level of quality”. Thus, the following hypothesis is formed for the association between perceived quality value and purchase of luxury goods.

H3: There is a significant relationship between perceived quality value and purchase of luxury goods.

Brand image can be defines as “ perceptions about a brand as reflected by the brand associations held in consumer memory” (Keller, 1993; Cheng, 2006; Rio, Varques, Iglesias, 2001). It influences consumer perception and crucial to purchase choice. Consumers able to evaluate the products, lower the purchase risk, obtain experience and recognize the product differentiation through brand image. According to Grewal, Krishnan, Baker, and Borin (1998), “ the better a brand image is, the more recognition consumers give to its product quality”. Thus, the fourth hypothesis of study is as follow:

H4: There is a significant relationship between brand image and purchase of luxury goods.

Aesthetics have strong influence on purchase of luxury good and it should always be the case according to Dubois, Laurent, Czellar (2001). Aesthetics reflects a sensory response in an audience such as satisfaction, pleasure or affect. “ The aesthetics dimension is composed of design, colour and style that create beauty, they are of primary importance” (Barnier, Rodina, Florence, 2005). The research also proved that French, Russian and UK

consumers have a hedonic approach for luxury derived from aesthetics which Aesthetics dimension in France earned the highest position, 29%, in comparison to Russia, 19% and the UK, 15%. Hence, the fifth hypothesis is formed for the association between aesthetics and purchase of luxury goods.

H5: There is a significant relationship between aesthetics and purchase of luxury goods.

3. 3 Population and Sampling

3. 3. 1 Population

“ Population can be defined as total number of inhabitants constituting a particular race, class, or group in a specified area.” ([http://www. answers. com/topic/population](http://www.answers.com/topic/population), no date). With reference to the topic at hand, the researcher has set that the target population for this research would be the Generation Y in Malaysia. Even the generation Y has been defined as born in between 1977 and 1994 by Horovitz (2002) and Sriviroj 2007, the study would survey specifically generation Y who are aged between 20 and 29 which focus on the college students, university students and young working adults.

3. 3. 2 Pilot Test for Questionnaire

“ Pilot test is a smaller version of a larger study that is conducted to prepare for that study to ensure that the ideas or methods behind a research idea are sound, as well as to “ work out the kinks” in a study protocol before launching a larger study.” ([http://ms. about. com/od/newsresearch/g/pilot_study. htm](http://ms.about.com/od/newsresearch/g/pilot_study.htm), no date). In this research, the researcher intends to conduct a pilot study containing 10 questionnaires to university students in Multimedia University Melaka in order to justify the content and reliability of the questionnaire. This is done as the researcher <https://assignbuster.com/theoretical-framework-for-research-study/>

feels that the students in the University campus serve as a just representation of the intended target population. The feedback from the respondents will be corrected before distributing to the targeted respondent.

3. 3. 3 Sampling Design Method

A sample of the population can be drawn from one of two ways, either in the form of probability sampling or non probability sampling.

Sekaran (2003) described that “ when elements in a population have a known chance of being chosen as subjects in the sample, we resort to probability sampling design”. There are several forms of probability sampling. The first is simple random sampling which also known as unrestricted sampling. In a simple random sample (‘ SRS’) of a given size, all such subsets of the frame are given an equal probability. Each element of the frame thus has an equal probability of selection. Simple random sampling is also known as unrestricted sampling. The other form is known as restricted or complex probability sampling. “ The main difference between the two is that efficiency is improved in that more information can be obtained for a given sample size using some of the complex probability sampling procedures” (Sekaran, 2003). Example of this form of sampling is the stratified random sampling method where the population is divided into subgroups and subsequently sub samples.

On the flipside, Sekaran (2003) stated that non probability sampling designs are those where “ elements in the population do not have any probabilities attached to being chosen as sample subjects”. One popular mode in this kind on sampling is the convenience or accidental sampling method. It is one “

that is simply available to the researcher by virtue of its accessibility” (Bryman and Bell, 2003). The selection of units from the population is based on easy availability and/or accessibility in convenience sampling. The researcher intended to proceed with the convenience sampling method based on two reasons. First of all, the data can be collected easily which is the main advantage and another advantage is that it is much cheaper to implement than probability sampling (Jankowicz, 2005).

3. 3. 4 Sample Size

The question of how many people should be in one’s sample depends on the form of sampling adopted. “ Convenience sampling, sometimes called grab or opportunity sampling, is the method of choosing items arbitrarily and in an unstructured manner from the frame”. (www. wikipedia. com, no date). A total of 200 Generation Y would be surveyed in Malaysia.

3. 3. 5 Sampling Procedure

The sampling procedure would start once the feedback from the pilot study and the questionnaires for the survey is finalized. The questionnaires would be by printed handouts of by the researcher to the general public who fall under the age range of 20 to 29 years of age. This would typically be done in the State of Melaka, Kuala Lumpur and Pulau Pinang. A total of 500 printed questionnaires would be given out in the process.

3. 4 Data Collection method

3. 4. 1 Secondary Data

Through this research, secondary data is collected from mainly journals especially in those area concerning consumer behavior and luxury goods, informational website, articles, and books. Previous researches from a

variety of authors were found from databases that include Emerald, Google Scholar and others. These sources of data provided useful background information on the luxury goods market, as well as indicating investigations that had already been taken place.

3. 4. 2 Primary Data

Sakaran (2003) stated “ data gathered for research from the actual site of occurrence of events are called primary data”. The questionnaire will be used as the primary method to collect primary data on the factors that influence Generation Y on purchase of luxury goods.

3. 5 Data Analysis

There are 3 objectives in the usage of data analysis. “ Getting a feel for the data, testing the goodness of the data and testing the hypotheses developed for the research” (Sekaran, 2003). The first objective of getting a feel for the data is to get an idea of how the respondents reacted to the questionnaires and how they are answered. The second objective of testing the goodness of the data is to test the reliability of the data gathered. Lastly, is to test the hypotheses of the research with various research tools.

3. 5. 1 Descriptive Analysis

Descriptive analysis will be conducted to examine the background of the respondent and the pattern of their responses. Frequency analysis will be carried out to study the background of the respondents that contribute in this study. The mean, range, standard deviation and variance would also be calculated using the Statistical Package for Social Science (SPSS) to show the variability of the data and gauge the pattern of the questions answered.

3. 5. 2 Hypotheses Testing

After the data is ready to be analyzed, the testing of the hypotheses would be the next logical step. There are many frequent hypothesis testing modules used by researchers to test their hypotheses. The researcher has decided to use the ANOVA, Pearson correlation, and Reliability Analysis for this research.

3. 6 Chapter Summary

In this study, the framework has been developed to meet the objectives of the study. Hypotheses have been developed from the framework and questionnaire has been designed to collect the primary data for the study. Next, the sampling design and methods to obtain data were considered and discussed for this study. The results of the primary data will be analyzed by using SPSS. Results of the analysis and interpretation of the results are presented in the next chapter.