

A Proposed Conceptual Model for Online Car Purchase Intention

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Abstract. Several researchers addressed the problem of internet assistance regarding purchasing intention in the automobile industry, without referring to an online conceptual model. This paper presents a model which specifies online factors involved, such as: credibility of social networks, online car advertisements and information sought after about cars through online websites. The suggested online model enables the automobile industry to better study and clarify the involved factors affecting online car purchasing intention, and reveals new results. The proposed model consists of the element of trust of social networks, and how it impacts online brand image through the influence of online car advertisements and online information sought after about cars, which in turn affects online purchase intention. This proposed online model successfully explains the impact of trusting social networks on creating a positive online brand image, and on online car purchase intention

Keywords. Online conceptual model, Automobile industry, Online purchase Intention.

JEL. M37, M31, M39.

1. Introduction

Researchers have questioned the level of internet and social networks usage and assistance for car purchase. With this research it was discovered, based on the conceptual model, Egyptian online users trust social networks, online advertisements and the online source with which they seek out information about cars. This has led to the formation of a positive attitude towards advertisements and online brand image. All these factors should encourage the online Egyptian users to purchase cars online. However, the presented research has found that Egyptian online users as a population don't depend solely on internet information. However, the buyer needs explanation and confirmations from the car dealer about the involved car model, which usually needs a car test drive to decide about the car. Similar results reached by Smith (2009) in the American market. It's a global problem and not just a regional problem which differs from one country to another.

2. Model

Based on the proposed conceptual model, the proposed rationale would be that trusting in social networks would encourage seeking online information about cars. The information sought after from the concerned websites would help in the formation of an image about the car brand. Online advertisements would install

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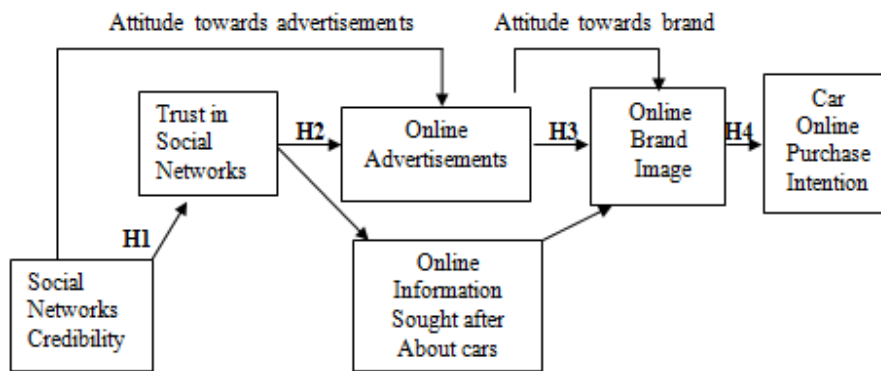
beliefs, thoughts and perceptions or symbols that would continue to form a trustful car brand image. Those factors should encourage the online users to be open to the concept of purchasing a car online. It should be noted that the credibility of social networks would have an effect on the potential buyers' attitude towards online advertisements. Online advertisements in return, would have an impact on the potential buyer's attitude towards brands. The objective and the rationale behind the conceptual model are to supply the buyer with sufficient first-hand information to help him make the correct decision. The online potential buyer will be influenced by online advertisements and other web site online information. The conceptual model would help the automobile industry better shape its online marketing strategies.

H1: Egyptian online users do not depend only on social networks.

H2: Egyptian online users do not depend solely on different online sources by which they seek out information about cars.

H3: Egyptian online users are not affected by online advertisements.

H4: Social network's trust affects the decision to purchase a new car.



3. Conclusion

The online conceptual model for the automobile industry is the first to successfully better understand the process of online car purchase. Demographic variables such as age, gender, education and employment were proven to have an influence on online car purchase intention. The type of credibility that has a direct impact and would encourage online car purchase is reputed credibility

Appendix

Table 1. Model Summary/ Demographic Variables+ Credibility

Step	-2 Log likelihood	Cox & Snell R Square	Nagelkerke R Square
1	11.875 ^a	.130	.778

a. Estimation terminated at iteration number 20 because maximum iterations has been reached. Final solution cannot be found.

Table 2. Variables in the Equation/Reputed Credibility Impact

		B	S.E.	Wald	df	Sig.	Exp(B)
Step 1 ^a	Q1(1)	-.791	2.477	.102	1	.750	.454
	Q2			.796	7	.997	
	Q2(1)	-14.639	10345.899	.000	1	.999	.000
	Q2(2)	6.790	9077.363	.000	1	.999	888.713
	Q2(3)	12.070	9077.361	.000	1	.999	174538.122
	Q2(4)	12.357	9077.360	.000	1	.999	232507.999
	Q2(5)	-10.674	11507.712	.000	1	.999	.000
	Q2(6)	3.758	12576.708	.000	1	1.000	42.864
	Q2(7)	-.938	12946.917	.000	1	1.000	.391
	Q3			.305	3	.959	
	Q3(1)	-.337	16110.960	.000	1	1.000	.714
	Q3(2)	-1.404	16110.959	.000	1	1.000	.245
	Q3(3)	-4.023	16110.957	.000	1	1.000	.018
	Q5			2.732	5	.741	
	Q5(1)	8.559	40381.364	.000	1	1.000	5213.658
	Q5(2)	7.523	40381.366	.000	1	1.000	1850.034
	Q5(3)	20.528	3896.115	.000	1	.996	8.229E8
	Q5(4)	27.189	3896.116	.000	1	.994	6.429E11
	Q5(5)	16.529	3896.110	.000	1	.997	15083045.722
	Q6			.020	4	1.000	
	Q6(1)	.779	6.958	.013	1	.911	2.180
	Q6(2)	1.035	7.356	.020	1	.888	2.816
	Q6(3)	-17.151	5908.471	.000	1	.998	.000
	Q6(4)	-24.942	2220.238	.000	1	.991	.000
	FAC1_1	6.235	3.748	2.767	1	.096	510.215
	FAC1_2	-4.545	2.000	5.163	1	.023	.011
	FAC1_3	2.192	1.398	2.457	1	.117	8.951
	FAC1_4	-.925	1.686	.301	1	.583	.397
	Constant	-34.563	18898.176	.000	1	.999	.000

a. Variable(s) entered on step 1: Q1, Q2, Q3, Q5, Q6, FAC1_1, FAC1_2, FAC1_3, FAC1_4.

Note: FAC1_2 is reputed credibility

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