

**STRATEGIC MANAGEMENT IN CAR OWNERSHIP AND
CAR PURCHASE DECISION IN JAKARTA
A CASE STUDY OF PT TOYOTA-ASTRA MOTOR**

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STATEMENT BY THE AUTHOR

I hereby declare that this submission is my own work and to the best of my knowledge, it contains no material previously published or written by another person, nor material which to a substantial extent has been accepted for the award of any other degree or diploma at any educational institution, except where due acknowledgement is made in the thesis.

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ABSTRACT

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The automotive industry one of the most lucrative market in Jakarta, Indonesia. There are opportunities coming from the low car density and the growing number of middle class and first-time buyers in Jakarta. On the other hand, there are also challenges car manufactures face that could curtail car sales such as, the presence new public transport, the increase on vehicle tax, and the existence of online taxis. Currently, studies related to car ownership motivation according to the future generation of buyer are still limited. Therefore, this study examined the significance between car ownership deterrents, car ownership motivation, and car purchase decision. This study also analysed the preference of cars according to young people, being the future generation in Jakarta. The final objective was to provide PT Toyota-Astra Motor a selection of strategies to anticipate such phenomena. The methodology used was Structural Equation Modelling. The result revealed that car ownership motivation and car purchase decision were significantly correlated, while car ownership motivation and car ownership deterrents showed otherwise. Car attributes such as safety, performance, and convenience were considered as the most important criteria according to young people. The managerial implication for PT. Toyota-Astra Motor is to consider penetration, market development, and product development

Keywords: Car ownership motivation, Car ownership deterrents, Car purchase decision, Structural Equation Modelling



DEDICATION

I dedicate this thesis to my parents for being the homes, the teachers, and the friends.



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