

**BUYERS PERCEIVED RISK AND SATISFACTION LEVEL TOWARDS
SECONDHAND CARS IN SELECTED AREAS OF CAVITE**

THESIS

**KIMBERLY A. MALAYAW
JULIENNE MARY O. SUPERAL
GERALD T. TORRES**

**College of Economics, Management
and Development Studies
CAVITE STATE UNIVERSITY
Indang, Cavite**

Cavite State University (Main Library)



T6969

THESIS/SP 629.222 M29 2017

May 2017

**BUYERS PERCEIVED RISK AND SATISFACTION LEVEL TOWARDS
SECONDHAND CARS IN SELECTED AREAS OF CAVITE**

Undergraduate Thesis
Submitted to the Faculty of the
College of Economics, Management, and Development Studies
Cavite State University
Indang, Cavite

In partial fulfillment
of the requirements for the degree
Bachelor of Science in Business Management



*Buyers perceived risk and satisfaction
level towards secondhand cars in selected
629.222 M29 2017
T-6969*

**KIMBERLY A. MALAYAW
JULIENNE MARY O. SUPERAL
GERALD T. TORRES
May 2017**

ABSTRACT

MALAYAW, KIMBERLY A., SUPERAL, JULIENNE MARY O., TORRES GERALD T.,Buyers' Perceived Risk and Satisfaction Level Towards Secondhand Cars in Selected Areas of Cavite. Undergraduate Thesis, Bachelor of Science in Business Management major in Marketing Management. Cavite State University Indang, Cavite. May 2017. Adviser: Mr. Gener Cueno.

This study was undertaken for the purpose of determining buyers' perceived risk and satisfaction level towards secondhand cars in selected areas of Cavite. The study was conducted in five selected areas municipalities of Cavite namely; Imus, Dasmarinas, Kawit, Tagaytay, and Cavite City. The study aimed to describe the demographic profile of the secondhand car buyers of selected areas of Cavite; determine the most preferred make and type of secondhand cars; determine the perceived risk of buyers in buying secondhand cars; determine the level of satisfaction of buyers in buying secondhand cars; determine if there is a significant difference on the level of perceived risk based on demographic profile of buyers; determine if there is a significant difference on the level of satisfaction based on demographic profile; and determine if there is a significant relationship between perceived risk and on the level of satisfaction.

Primary data were used in the study through the use of questionnaire designed for the purpose of gathering data to answers the specific questions of the study. Descriptive statistics such as the frequency, percentage, kruskal wallis statistics, mann whitney statistics and spearman coefficient correlation were used to describe the demographic profile of the buyers, perceived risk in buying secondhand cars and other important information relevant to the study. Likert scale was used to determine the satisfaction level of buyers towards secondhand cars in municipalities of Cavite.

From the analysis and interpretation of data, the following findings were: It was revealed that most of the buyers of secondhand cars age ranged from 19 to 75, were male, married, educated and employed who earned an estimated gross monthly income of P5,000-30,000. The common type of car that buyers usually purchased was SUV and for the make of the car, Toyota was mostly purchased. The study shows that buying secondhand car was perceived to low risk. The study also shows that secondhand car can meet the satisfaction that the buyers expected.

The study also found that there is no significant difference on the perceived risk based on sex, educational attainment, occupation and gross monthly income except for age, civil status, and location.

The study also showed that is no significant difference on the level of satisfaction based on sex, age, civil status and educational attainment except for location, occupation, and gross monthly income.

Lastly, the study posited that perceived risk is not significantly related to the level of satisfaction of the participants.

TABLE OF CONTENTS

BIOGRAPHICAL DATA	Page ii
ACKNOWLEDGMENT	v
ABSTRACT	x
LIST OF TABLES	xiv
LIST OF APPENDICES	xv
INTRODUCTION.....	1
Statement of the Problem.....	2
Objective of the Study.....	4
Significance of the Study.....	5
Time and Place of the Study.....	6
Scope and Limitations of the study.....	6
Definition of Terms.....	7
Conceptual Framework of the Study.....	8
REVIEW OF RELATED LITERATURE.....	10
METHODOLOGY	19
Research Design.....	19
Hypotheses.....	19
Sources of Data.....	20
Participants of the Study.....	20
Sampling Technique.....	21
Data to be Gathered.....	22

Statistical Treatment of Data.....	25
RESULT AND DISCUSSION.....	27
Socio Demographic Characteristics of the Buyers of Secondhand Cars.....	27
Preferred Type of Car.....	31
Preferred Make of Car.....	32
Buyer's Perceived Risk towards Secondhand Cars	33
Buyer's Level of Satisfaction towards Secondhand Cars	35
Significant Difference on the Perceived Risk based on the Socio Demographic Characteristics of the Respondents.....	37
Significant Difference on the Level of Satisfaction based on the Socio Demographic Characteristics of the Respondents.....	41
Significant Relationship between Perceived Risk and Level of Satisfaction of the Respondents.....	45
SUMMARY, CONCLUSIONS AND RECOMMENDATIONS	49
REFERENCES.....	55
APPENDICES.....	60

LIST OF TABLES

Table	Page
1 Distribution of participants in selected areas in Cavite.....	20
2 Parameter on perceived risks	23
3 Parameter on level of satisfaction.....	24
4 Socio-demographic characteristics of the participants in selected areas of Cavite	30
5 Type of car of the participants in selected areas of Cavite.....	31
6 Make of Car of the participants in selected areas of Cavite.....	32
7 Perceived risk in buying a secondhand car	33
8 Level of satisfaction of buyers towards secondhand cars.....	35
9 Significant difference of the perceived risk based on the socio – demographic profile of the participants towards buying a secondhand car.....	41
10 Significant difference of the perceived risk based on the socio – demographic profile of the participants towards buying a secondhand car	45
11 Relation of functional risk and level of satisfaction towards secondhand car.....	46
12 Relation between the social risk and level of satisfaction in buying a secondhand car.....	47
13 Computation to determine the relation of financial risk and level of satisfaction on secondhand cars.....	48
14 Relation of psychological risk on the level of satisfaction towards secondhand cars.....	49

LIST OF APPENDICES

Appendix	Page
1 Questionnaire	60
2 Statistical Analysis.....	66
3 Certificate of Statistician.....	68
4 Application for Oral Review.....	70
5 Certificate of ERB.....	74

BUYER'S PERCEIVED RISK AND SATISFACTION LEVEL TOWARDS SECONDHAND CARS IN SELECTED AREAS OF CAVITE

**Kimberly A. Malayaw
Julienne Mary O. Superal
Gerald T. Torres**

An undergraduate thesis manuscript submitted to the faculty of the Department of Management, College of Economics, Management, and Development Studies, Cavite State University, Indang, Cavite in partial fulfilment of the requirements for the degree of Bachelor of Science in Business Management major in Marketing with Contribution No. _____
Prepared under the supervision of Sir. Gener T. Cueno

INTRODUCTION

Nowadays pre – owned cars have a high demand in this generation and in secondhand car markets, the risk and level of satisfaction are some of the basis for the consumer to patronize the product. Secondhand cars may have been marketed based on the quality, durability, and price of the product. The second-hand car market is not going away anytime soon despite the rapid growth in sales of brand-new vehicles in the country. Vehicle sales based on a joint report by the Chamber of Automotive Manufacturers of the Philippines Inc. and the Truck Manufacturers Association second hand car industry recorded a 23 percent jump from 2014.

Perceived risk is the uncertainty a consumer has when buying items, mostly those that are particularly expensive like cars. Perceived risk plays a major role in affecting the consumer's intension in buying second hand cars. Every time a consumer consider buying a product, he or she has certain doubts about the product.