

Factors Affecting the Acceptance of Pre-Owned Automobiles by Indian Consumers: An Empirical Study

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Abstract

The popularity of the second-hand market has been growing tremendously during the post-COVID era. Goods like second-hand clothes, cellphones, furniture, vehicles, etc. are being preferred by consumers over new goods due to their reasonable quality and affordable cost. Amongst all second-hand products, pre-owned automobiles cover a major proportion of the second-hand market. The perceived values generated from the purchase and use of pre-owned automobiles act as motivation for consumers to own one, however, there are risk factors too. It has been observed that even though the sale of the pre-owned automotive sector is increasing at a faster pace, there is a lack of literature available when it comes to measuring consumer purchase intention towards it. Therefore, the purpose of this study is to examine the impact of different factors on consumer attitude and intention toward buying pre-owned cars by employing the theory of planned behavior. A survey was conducted where data was collected from 521 respondents. This study will help the pre-owned automobile industry to focus on the significant determinants that will help in enhancing its sales.

Keywords: *pre-owned automobiles, purchase intention, theory of planned behavior, perceived values, perceived risks.*

1. Introduction

In the present era, consumers' main focus is to find a commodity that generates value for them. It, to some extent, becomes immaterial for the consumers whether the product is expensive or cheap, new or second-hand, accessible or located at a distance, as long as the product is successful in fulfilling the demands of the consumers, it is well sold. Nowadays, the main attraction of consumers has been drawn towards second-hand products. Second-hand products refer to those products that were previously owned by some other user and have been still maintained in their original functionality (Roux & Guiot, 2008; Kapoor & Khare 2019).

Many reasons have contributed to the popularity of second-hand goods like the price, features, accessibility, nostalgia, ecological concern, etc. (Guiot & Roux, 2010) which has ultimately led to

the rapid growth of the second-hand market in India. According to industry projected figures, the Indian market for quality-tested, pre-owned items is expected to reach a value of approximately \$12 to \$18 billion by 2023. This growth underscores the strong demand for used goods in the country (Singh, 2019). Today, some of the most commonly purchased second-hand items include automobiles, clothing, smartphones, toys, books, musical instruments, furniture, and bicycles (Haraldsson & Peric). Among these categories, automobiles account for the largest share, constituting approximately 60 percent of the organized second-hand market due to their higher pricing. Electronics, including smartphones, hold a 25 percent market share, while other categories like home and kitchen products as well as apparel make up the remaining 15 percent (Singh, 2020).

Pre-owned cars are one of the leading categories in the second-hand market and capture a major share of it. According to the 'Indian Pre-Owned Car Market Study' report conducted by Frost and Sullivan in partnership with Das WeltAuto (DWA), the used car market is projected to reach 8.2 million units by FY2025, showing a Compound Annual Growth Rate (CAGR) of 21%. In comparison, the used car to new car ratio in well-developed markets like the US and the UK stands at 2.8 and 4.1, respectively. In FY2021, India had a lower ratio of just 1.5, but it is anticipated to increase to 2.1 within the next 3-5 years. The pre-owned car market in India is currently dominated by unorganized players, accounting for 41% of the market share, followed by consumer-to-consumer (C2C) transactions at 34%. In contrast, organized players make up only 25% of the market. However, the organized sector is expected to experience significant growth, mainly because it offers more reliable products and services, which will drive up the demand for used cars in Tier II cities. It is projected that the organized sector will expand its share to 45% by FY2025, a notable increase from the 25% share it held in FY2021.

Though many researchers have placed their insights regarding the working of the second-hand market, it has been found that the most researched area is second-hand clothes or apparel (Almeida, 2020; Hoa & Ngo, 2022; Kim et al., 2021; Laitala & Klepp, 2018; Lee et al., 2021; Park & Choo, 2012; Reis, 2020; Ek Styvén & Mariani, 2020; Ferraro et al., 2016) and scant research has been conducted concerning the factors that potentially guide the consumer purchase behavior towards other categories of second-hand products (Guiot & Roux, 2010; Hoa & Ngo, 2022). Given the popularity of pre-owned cars, there is a lack of literature available in examining consumer behavior towards them. Therefore, the main aim of this study is to look out for the impact of different factors on consumer attitude and intention toward buying pre-owned cars.

The paper has been divided into five sections. The first section discusses the introduction to the popularity of second-hand goods and the importance of pre-owned cars. Section 2 briefly outlines the review of the literature and the development of hypotheses. Followed by section 3 which clearly outlines the methodological aspects of the study. Results will be discussed in section 4, followed by sections 5 and 6 which will discuss the managerial implications and limitations of the study.

2. Review of Literature and Development of Hypotheses

2.1 Theory of Planned Behavior

The theory of Planned Behaviour (TPB) was given by Ajzen in 1991 and is an extension of the Theory of Reasoned Action (TRA). This theory is widely accepted by researchers and practitioners for studying consumer behavior. This theory states that attitude, subjective norm, and perceived behavioral control act as antecedents to the intention of individuals. And further, the intention helps in predicting the actual behavior (Ajzen, 1991). The Theory of Planned Behaviour has been widely used by various researchers to investigate consumer buying behavior related to secondhand products. Numerous research studies have applied and extended the Theory of Planned Behavior to examine consumer purchase intentions for second-hand goods, as demonstrated in studies conducted by (Almeida, 2020; Asif et al., 2021; ERIKSSON & EDWARDS, 2014). Additionally, Koay et al. (2022) conducted a study where they employed the TPB to assess consumers' purchase intentions regarding second-hand clothing. Therefore, to study the consumer purchase intention towards pre-owned cars, TPB will be employed.

2.1.1 Attitude

Attitude is one of the strongest predictors of intention when it comes to measuring consumer behavior (Ajzen, 1991). Attitude can be defined as the favorable or unfavorable evaluation by individuals of a particular behavior (Han et al., 2010). Numerous studies have concluded that if consumers hold a positive attitude towards a particular product, then their tendency to purchase that product also increases and vice versa. In a study conducted by (Almeida, 2020), it was found that attitude positively influenced the consumption intention of Portuguese consumers for second-hand clothing. A study was conducted in Korea and the results obtained stated that attitude had a significant positive impact on the purchase intention of consumers towards second-hand fashion goods (Park & Choo, 2012; Kim et al., 2021). In a survey conducted by ERIKSSON & EDWARDS (2014), attitude exerted a significant positive impact on the purchase intention of Swedish consumers towards second-hand clothing. Since, in the case of other second-hand products, attitude and purchase intention showed a significant positive relationship, it is further hypothesized that:

H1: Attitude positively influences the consumers' purchase intention toward pre-owned automobiles.

2.1.2 Subjective Norm

In the Theory of Planned Behaviour, the subjective norm is one of the crucial factors that exert an influence on the intention of individuals which then helps in predicting their actual behavior (Ajzen, 1991). Subjective Norms can be defined as the social desirability of a particular behavior (Golnaz Rezai, 2012). If the consumers feel that a particular product/service will not be socially acceptable to their friends, family, peers, etc. then they will not be willing to purchase that product. On the other hand, if they perceive it to be socially acceptable or socially approved by others, their

willingness to purchase that product will be high (Han et al., 2010). When the second-hand apparel consumption behavior of Portuguese consumers was examined, it was found that purchase intention was positively influenced by the factor of subjective norm (Almeida, 2020). In another study conducted by Xu et al. (2014), the results concluded that American consumers were more impacted by the social desirability of pre-owned clothing than Chinese consumers. Although, in a research study conducted by Jialin Ma (2018) in the context of second-hand clothing, subjective norm exerted a significant and positive influence on the purchase intention of Chinese consumers. Therefore, in the case of pre-owned automobiles as well, it can be hypothesized that:

H2: Subjective Norm positively influences the consumers' purchase intention toward pre-owned automobiles.

2.1.3 Perceived Behavioral Control

Perceived Behavioral Control strongly influences the intention of consumers according to the TPB model which further helps in predicting an individual's behavior. Perceived Behavior Control can be defined as the ability of an individual to perform a particular behavior (Almeida, 2020). In the context of marketing, if a consumer possesses all the resources needed to purchase a particular product, then his/her willingness to purchase that product will be more and vice versa. In the context of pre-owned automobiles, if the consumer has the time, money, and accessibility, to purchase that product, then his/her purchase intention will also be high. However, if there is a lack of resources with the consumer, then he/she might delay or not purchase a pre-owned automobile. Therefore, it can be hypothesized:

H3: Perceived Behavioral Control positively influences the consumers' purchase intention toward pre-owned automobiles.

2.2 Perceived Values

Perceived values refer to “the consumer's overall assessment of the utility of a product (or service) based on perceptions of what is received and what is given” (Zeithaml, 1988). According to Woodruff (1997), perceived value is “a customer's perceived preference for and evaluation of product attributes, attribute performance, any consequences arising from use that facilitates (or blocks) achieving the customer's goal and purposes in use situations.” Perceived values act as a strong predictor of purchase intention (Dodds et al., 1991; Zeithaml, 1988). A study by Ma and Li (2018) found that higher customers' perceived value will lead to higher purchase intention for buying second-hand clothing. While the definitions suggest a one-dimensional approach to perceived values, subsequent research has taken a multidimensional approach. Ha and Park (2010) divided the values of second-hand fashion goods into three categories i.e. social, economic, and environmental values. Sometimes, consumers feel reluctant to purchase pre-owned cars as they feel it will damage their social image in the eyes of their family, friends, and peers, due to which

it is more of a risk factor for them rather than a value. Because of this reason, social value is eliminated and for this study, only the economic and environmental values are considered.

2.2.1 Economic Value

Consumers obtain economic value or benefit from a product when it is reasonably priced and there is no quality concern related to that product. Price sensitivity or price consciousness of consumers is significantly responsible for consumers preferring the economic value of a product, which includes the rewarding function of price, the desire for a fair price, and bargain hunting (Guiot and Roux, 2010). Purchasing second-hand goods is a conflict-avoidance tactic for low-income customers seeking to lessen the burden of poverty (Hamilton, 2009). The indirect price difference between old and new items encourages thrifty customers to acquire second-hand goods since second-hand goods are often cheaper than newer ones (Anderson and Ginsburgh, 1994). As a result, the purchase of used goods is frequently linked with consumers who are on a tight budget. Budgetary limitations and accessible financing alternatives have made pre-owned automobiles an appealing option for potential customers seeking an additional vehicle for their families without sacrificing quality, safety, or dependability. Hence, it can be stated that the higher the economic value of a pre-owned car, the higher the tendency of the consumers to purchase it. Therefore, it can be hypothesized:

H4: Economic Value positively influences the consumers' attitudes to purchase pre-owned automobiles.

2.2.2 Environmental Value

The environmental value of a product represents how much a product is environmentally friendly and can satisfy the needs of green consumers. Second-hand goods hold environmental value because, unlike conventional products, they aim to extend the life cycle of a product that otherwise gets deposited as waste into landfills, adversely impacting the environment (Crosno & Cui, 2017). When cars are reused by some other user then it delays the decision of consumers to buy a new car thereby saving resources and also avoiding the disposition of waste in a non-environment friendly manner. A study by Kim et al. (2021) revealed that environmental value positively affects the attitude towards buying second-hand and recycled clothing. Thus it is expected that the higher the perceived environmental value, the stronger the consumers' attitudes towards buying pre-owned automobiles. Therefore, it can be hypothesized:

H5: Environmental Value positively influences the consumers' attitudes to purchase pre-owned automobiles.

2.3 Perceived Risks

Perceived risks refer to the doubts the consumers face while purchasing a product. They feel that the performance of the product will be lower than what is expected and such perceived risks cause

a dilemma in the consumer's mind before purchasing that particular product. If a pre-owned car is judged to be risky, then this should be reflected as a more negative attitude regarding the purchase of pre-owned cars, and purchase intention is thus expected to be low. On the other hand, if a pre-owned car purchase is judged to be lower in risk, then this judgment reflects a more positive attitude and is expected to lead to higher purchase intention (Wang and Hazen, 2016). To thoroughly explain the risk factors in the customer's purchase decision process, most research on the effect of risk perception has employed a multidimensional approach rather than a unidimensional approach (Pham et al., 2021; Kim et al., 2021). The three lower components of perceived risk are social, financial, and functional risk (Minshall et al., 1982). Financial risk will not be included in this study because one of the main reasons why people buy second-hand cars is because of their low costs, which adds value to the product. As a result, social and functional risk will be considered as sub-dimensions of customers' perceived risk while purchasing used cars.

2.3.1 Functional Risk

The uncertainty linked with the consequences of a product that does not work as anticipated is known as functional risk, also known as performance risk (Horton, 1976; Shimp and Bearden, 1982). In other words, functional risk refers to the possibility that the purchased product will not work well, the service will not be performed properly, or the desired function will fail (Minshall et al., 1982; Stone and Gronhaug, 1993). While purchasing pre-owned cars, consumers hesitate as they are not sure about the functionality as well the durability of the product. They perceive some sort of risk related to the performance of the pre-owned car that it might fail or will function for a short duration of time. A study by Pham et al. (2021) found that perceived quality risk has a negative impact on the attitude of young consumers in Vietnam towards buying upcycled or modified second-hand fashion products. Therefore, it is expected that the lower the functional or performance risk perceived by the consumers, the higher will be their positive attitude toward buying it and vice-versa. Therefore, it can be hypothesized:

H6: Functional Risk negatively influences the consumers' attitudes to purchase pre-owned automobiles.

2.3.2 Social Risk

The fear of a negative outcome, such as criticism or embarrassment from family, friends, or important others, is known as social risk (Kang and Kim, 2013; Lang et al., 2019). Buying and using products that pose a threat to personal values, such as identity and image, can have this undesirable outcome (Lang et al., 2019). When customers believe that their purchase will be seen poorly by others, they are putting themselves at social risk (Bertrandias and Goldsmith, 2006). Consumers may predict negative social consequences. For example, they may think that their friends will disrespect them if they see them using a pre-owned car as it was earlier used by some other user. Hence, it can be assumed that if the product is high in social risk then consumers might not purchase the product due to embarrassment issues. On the other hand, if the consumers do not

perceive high social risk while purchasing the product, they might end up buying it. Therefore, it can be hypothesized:

H7: Social Risk negatively influences the consumers' attitudes to purchase pre-owned automobiles.

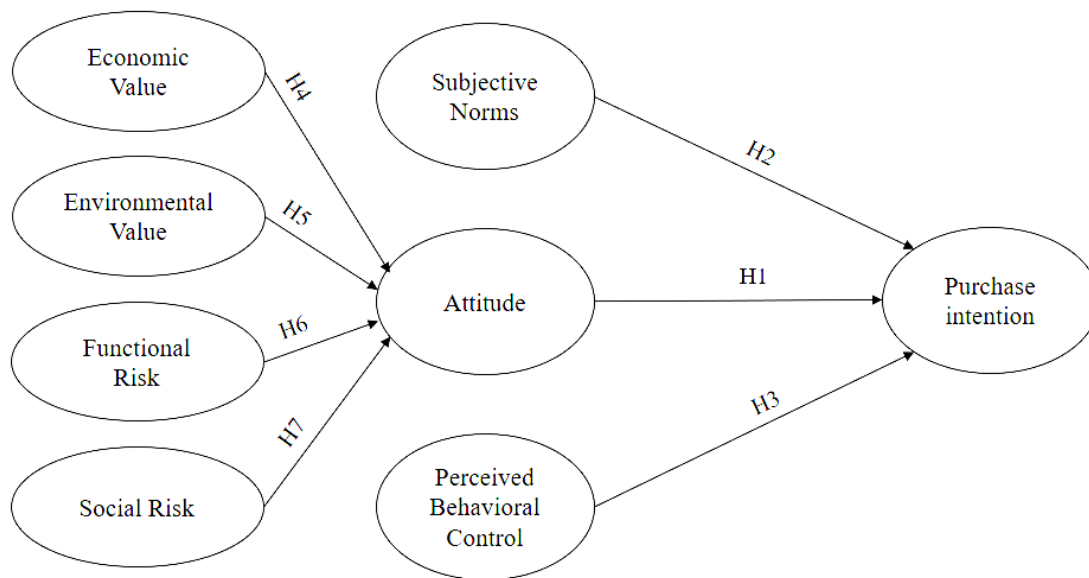


Fig 1. Conceptual Model

3. Research Methodology

3.1 Instrument Development

The research design of this study is descriptive in nature and primary data was collected to conduct the investigation. An online questionnaire survey was administered to collect data from the consumers. A forty-one items questionnaire was prepared with economic value having six items, environmental value having five items, functional risk having five items, social risk having five items, attitude having four items, subjective norm having six items, perceived behavioral control having six items, and lastly purchase intention having four items. Standardized scales were adapted and the sources of scales are given in Table 1. The structured questionnaire was divided into 3 sections, with Section 1 comprising the introductory statement and a question related to the purchase experience (if any), followed by Section 2 containing questions regarding the constructs' under study, and Section 3 pertaining to respondents' demographic profile. The questionnaire was made accessible to the respondents through a Google form link and the access was open for approximately one week. For maximum coverage as well as respondent diversity, the questionnaire was floated on online platforms such as WhatsApp, Facebook, and Instagram. Compared to conventional paper-based surveys, online surveys offer more benefits (Tan and Teo, 2000). They are inexpensive, aid in generating speedier replies, and are not limited by regional

borders (Hsu and Lu, 2004). Responses were collected on 5 point Likert scale where “1 = Strongly Disagree”; “2 = Disagree”; “3 = Neutral”; “4 = Agree” and “5 = Strongly Agree”.

Table 1: Measurement Scales

CONSTRUCT	SOURCE OF MEASUREMENT SCALE	TYPE OF SCALE
Economic Value	(Roux & Guiot, 2008)	6 items, Likert scale
Environmental Value	(Yu & Lee, 2019; Wei & Jung, 2017)	5 items, Likert scale
Functional Risk	(Kim et al., 2021)	5 items, Likert scale
Social Risk	(Lang et al., 2019)	5 items, Likert scale
Attitude	(Wang et al., 2013)	4 items, Likert scale
Subjective Norm	(Almeida, 2020)	6 items, Likert scale
Perceived Behavioral Control	(Maichum et al., 2016)	6 items, Likert scale
Purchase Intention	(Wang et al., 2013)	4 items, Likert scale

3.2 Data Collection

The data was collected from 521 respondents out of which 246 respondents had purchased a pre-owned car in the past and 275 respondents did not. Out of the total sample, 64.1% were females and 35.9% were males. 54.4% of respondents belonged to the age group 18-25; 41.7% of respondents belonged to the age group 26-35; 2.9% of respondents belonged to the age group 36-45 and the remaining respondents were above 45 years of age. Also, 26.2% of respondents were students; 47.6% of respondents were salaried employees; 18.4% of respondents were professionals, 3.9% of respondents were self-employed and the remaining respondents belonged to the “other” category.

4. RESULTS

4.1 Measurement model analysis

Confirmatory Factor Analysis (CFA) in AMOS version 23 was used to check the model fit and reliability and validity of the measurement model. The model was found to be a good fit for the data collected as it successfully achieved all the benchmarks i.e. CMIN/DF = 2.500; GFI = 0.714; CFI = 0.781 and RMSEA = 0.086. The reliability of the measurement model was tested through Cronbach Alpha, Composite Reliability (CR), and Average Variance Extracted (AVE). After deleting the item PI4, all the measurement scales were found to be reliable as they met the required minimum threshold limits i.e. Cronbach alpha > 0.7, CR > 0.7, and AVE > 0.5 (Hair et al., 2016a) as shown in Table 2.

The validity of the measurement model was checked through convergent and discriminant validity. The convergent validity of the measurement model was achieved as $CR > AVE$ and $AVE > MSV$ as shown in Table 2. Also, discriminant validity was found to be satisfactory as the square root of the average variance extracted estimates for each of the four constructs is greater than the inter-construct correlations between them (Fornell and Larcker, 1981; Barclay et al., 1995) as shown in Table 3.

Table 2: Reliability and Convergent validity

CONSTRUCT	CR	AVE	MSV	A
Economic Value	0.822	0.710	0.563	0.814
Environmental Value	0.812	0.536	0.501	0.804
Functional Risk	0.836	0.544	0.159	0.833
Social Risk	0.897	0.508	0.009	0.892
Attitude	0.907	0.637	0.131	0.906
Subjective Norm	0.864	0.618	0.181	0.862
PBC	0.896	0.513	0.216	0.894
Purchase Intention	0.749	0.609	0.563	0.767

Table 3: Discriminant Validity

Construct	Eco Val	Env Val	Func Risk	Soc Risk	Attitude	Sub Norm	PBC	Pur Int
Eco Val	0.749							
Env Val	0.473	0.688						
Func Risk	0.017	-0.044	0.713					
Soc Risk	-0.048	0.127	-0.042	0.798				
Attitude	0.739	0.389	-0.083	-0.363	0.843			
Sub Norm	0.113	0.092	0.036	0.110	0.139	0.718		
PBC	0.068	-0.024	-0.044	0.022	0.038	0.414	0.769	
Pur Int	0.496	-0.252	-0.140	-0.054	0.760	-0.054	0.092	0.781

4.2 Structural Model Analysis

Structural Equation Modelling (SEM) was used to test the direct relationships between the construct of the study. This research technique is used by many researchers to check the relationship between proposed independent and dependent variables.

H1: Attitude positively influences the consumers' purchase intention toward pre-owned automobiles.

While testing the relationship between the attitude and purchase intention of consumers toward pre-owned automobiles, it was found that there exists a significant positive relationship between both variables ($\beta = 0.72$; $p < 0.05$). This implies that the higher the positive attitude of consumers toward pre-owned cars, the higher will be their intention to purchase them. Therefore, H1 is accepted.

H2: Subjective Norm positively influences the consumers' purchase intention toward pre-owned automobiles.

On testing the direct relationship between subjective norm and consumers' intention to purchase pre-owned cars, it was found that there exists a non-significant relationship between these variables ($\beta = -0.08$; $p > 0.05$). This implies that consumers are not concerned about the approval of society when it comes to purchasing pre-owned automobiles. Therefore, H2 is rejected.

H3: Perceived Behavioral Control positively influences the consumers' purchase intention toward pre-owned automobiles.

When a direct relationship was tested between perceived behavioral Control and consumers' intention to purchase pre-owned automobiles, it was found that there exists a significant positive relationship between these variables ($\beta = 0.86$; $p < 0.05$). This implies that if the consumers have the resources to purchase a pre-owned car, only then their intention will be high and vice versa. Therefore, H3 is accepted.

H4: Economic Value positively influences the consumers' attitudes to purchase pre-owned automobiles.

On testing the direct relationship between economic value and consumers' attitudes to purchase pre-owned cars, it was found that there exists a significant positive relationship between these variables ($\beta = 0.68$; $p < 0.05$). This implies the greater the economic value of a pre-owned car, the more positive attitude the consumers will show toward buying it. So the sellers should focus on making pre-owned cars more affordable and economical in nature to draw the attention of consumers towards it. Therefore, H4 is accepted.

H5: Environmental Value positively influences the consumers' attitudes to purchase pre-owned automobiles.

The relationship between environmental value and consumers' attitudes to purchase pre-owned cars was found to be significantly positive ($\beta = 0.29$; $p < 0.05$). This implies that for consumers, the environmental value of a product matters. In the case of a pre-owned car, if it leads to product life extension, then the consumer will exert a positive attitude toward buying it. Therefore, H5 is accepted.

H6: Functional Risk negatively influences the consumers' attitudes to purchase pre-owned automobiles.

While testing the relationship between functional risk and consumers' attitudes to purchase pre-owned cars, it was found that there exists a non-significant relationship between these constructs ($\beta = -0.11$; $p > 0.05$) further implying that functional risk does not affect the consumer decision to purchase a pre-owned car. For consumers, pre-owned cars do not possess any kind of functional risk. Marketers can take good advantage of it. Therefore, H6 is rejected.

H7: Social Risk negatively influences the consumers' attitudes to purchase pre-owned cars.

Social risk and consumers' attitudes to purchase pre-owned cars showed a significant negative relationship ($\beta = -0.39$; $p < 0.05$). For consumers, if a pre-owned car is high in social risk then they will show a negative attitude towards buying it. Therefore, marketers while promoting pre-owned cars should make sure that the consumers know that the pre-owned cars will not tarnish their image in any way. Therefore, H7 is accepted.

Table 4: Hypotheses Results

Hypotheses	Path Coefficients	p-value	Hypotheses results
H1	0.72	<0.05	Supported
H2	-0.08	>0.05	Not Supported
H3	0.86	<0.05	Supported
H4	0.68	<0.05	Supported
H5	0.29	<0.05	Supported
H6	-0.11	>0.05	Not Supported
H7	-0.39	<0.05	Supported

5. MANAGERIAL IMPLICATIONS

This study has very important managerial implications for the sellers as well as the marketers to increase the sale of pre-owned cars in the market. This study throws light on the factors that might affect the attitude and intention of consumers toward buying pre-owned automobiles. The results indicate that economic value plays a very vital role in the consumer decision-making process. For consumers, if a pre-owned car is affordable or budget-friendly in nature then they wouldn't hesitate much to buy it as economic value positively influences consumers' attitudes to buy pre-owned cars. Therefore, the sellers and the marketers should make sure that while promoting pre-owned cars in the market, they keep the price within the consumer's pocket and budget-friendly. Another value that holds a significant position in the consumer purchase process is the environmental value. The results of the study indicate that if a pre-owned car is engaging in product life extension then the consumer will have a higher willingness to purchase it. It can have an impact on the green consumers. Therefore, the sellers should also focus on the environmental value of the pre-owned cars and educate the consumers about how the pre-owned cars enhance the longevity of the product

and prevents the production or manufacturing of new cars, thereby, delaying the usage of new raw material.

While purchasing any product, consumers always perceive some sort of risk or doubt due to which they delay the purchase of that particular product. The findings of this study indicate that consumers do not perceive functional risk while purchasing a pre-owned car. The consumers perceive that pre-owned cars would be durable in nature, will function at their full potential just like new cars, and will not wear out faster as functional risk showed no significant negative impact on the consumers' attitudes toward buying pre-owned cars in this study. However, in the case of social risk, it has a significant negative impact on the consumers' attitudes toward buying pre-owned cars implying that if consumers feel that a pre-owned car might tarnish their image in society and that their family will not approve of their decision of buying a pre-owned car then they will have a negative attitude towards buying it. The marketers should make sure that they are overcoming the social risk of the consumers by giving them the surety that the pre-owned car would not cause any sort of embarrassment to them.

Also, the subjective norm did not show any significant impact on the intention of consumers to buy pre-owned cars. This implies that consumers do not care about the approval and opinion of others, on the other hand, perceived behavioral control showed a significant positive impact on the purchase intention implying that availability of resources plays a major role in enhancing the purchase intention of consumers toward pre-owned cars.

6. LIMITATIONS AND DIRECTIONS FOR FUTURE RESEARCH

This study has successfully achieved its objective of revealing the significance of various antecedents in forming consumer's positive attitude and intention towards buying pre-owned cars. However, there are some limitations as well as directions for future research with respect to this study. Firstly, this study has only tested the impact of economic value and environmental value under perceived values and the impact of functional risk and social risk under perceived risks on the consumer's attitude. However, future research studies can also focus on other perceived values as well as perceived risks to profoundly comprehend the intention of consumers toward purchasing pre-owned automobiles. Secondly, the data was collected from less number of respondents. Future studies can test this conceptual model with a larger data set to enhance the generalization.

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