

ABSTRACT

The purpose of this study is to theorize the effect of perceived risk on the relationship between key purchasing determinants and purchase intention of alternative fuel vehicles in Sri Lanka. The said study is based on the theoretical rationale and supportive empirical findings mainly carried through Perceived Risk theories and Theory of Technology Acceptance and Use.

As this study was quantitative in nature, it has been employed structured questionnaires to gather primary data from the sample which was identified through non probability, convenient sampling technique. In terms of measuring the relationships and effects in par with the developed hypotheses, researcher employed Partial Least Square (PLS) structural equation modeling. Predictions made for the direct relationships of purchasing determinants namely: performance expectancy; effort expectancy; social influence; price value and facility conditions on the purchase intention were statistically supported in the present study. Exploring the impact of perceived risk on the relationship between purchasing determinants and purchase intention of AFV's, it has statistically proven that perceived risk moderates the relationships of key purchasing determinants and purchase intention of AFV's.

Making a purchase intention over a technological product like AFV bringing a very complex and critical situation for any customer. Yet there are no any insights provided by the existing theories for the guidance of proper consumption decision by creating need-motivation- risk-intention linkage. Giving an understanding on this complex situation, this study contributed to the existing theory as it is explained how the people are making a subjective assessment of their effort and expectations in terms of making a decision over a technologically driven product, and in such a situation; how the risk make an impact on expectations and subjective assessments in making purchase intention. These study findings will enable automobile marketers to have proper marketing strategies for their companies while crafting strategies to implement risk reduction strategizes pertaining to purchase decision. Risk relievers plays a major role and companies have to ensure they employ risk relievers which enable them to effectively reach the customer. Thus, companies should put their attempt in developing knowledgeable sales people, hassle free products and services development and communicate a good brand image. Alongside they have a to have adequate service centers which at last result in a positive buzz for their product. So, to pull a customer from a product interest to product purchase.

Key Words: AFV, Purchase Intention, Perceived Risk, UTAUT, Purchasing Determinants