

Instilling Malaysian Consumers' Mind-Set in Accepting GST: An Analysis on the Effectiveness of Communication used by the Government

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Abstract Goods and Services Tax (GST) is a consumption tax based on goods and services to be imposed at every production and distribution stage in the supply chain, aims to replace the existing sales and service tax. It is part of the Malaysian government tax reform programme to improve the country's tax administration and management. It is to be implemented effective April 1, 2015 as mentioned in the Malaysia 2014 budget. As the timeframe for the implementation draws closer, previous research showed that consumers in general still have vague ideas about GST and its implication to the economy. Majority of the consumers were not ready to accept GST and some perceived that the government's effort in promoting it is inadequate. Therefore, this research was conducted to analyze the effectiveness of communication used by the Government in instilling Malaysian consumers' mind-set to accept GST, and also to evaluate the effectiveness of communication tools used. The findings indicated that further efforts should be taken by the government to widen the communication channel so that the information on GST will be easily accessible and understood by every consumer in Malaysia, thus it will enhance the acceptance and implementation process of GST.

Keywords GST • Mind-set • Effectiveness • Perceived • Communication • Consumers

1 Introduction

Goods and Service Tax (GST) which is also known as VAT or the value added tax in some countries is a multi-stage consumption tax on goods and services (Royal Malaysian Customs Department 2014). It is levied on the supply of goods and services at each stage of the supply chain from the supplier up to the retail stage of the distribution. GST is imposed at each level of the supply chain however the tax element does not become part of the cost of the product because GST paid on the

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business inputs is claimable. Hence, it does not matter how many stages where a particular good and service goes through the supply chain because the input tax incurred at the previous stage is always deducted by the businesses at the next step in the supply chain.

GST is a broad based consumption tax covering all sectors of the economy comprising all goods and services made in Malaysia including imports except specific goods and services which are categorized under zero rated supply and exempt supply orders as determined by the Minister of Finance and published in the Gazette.

The concept behind GST was invented by a French tax official in the 1950s. In the 1960s and 1970s, the GST or VAT was not widely used, as countries still relied to a large extent on direct taxes such as corporate and personal income taxes to generate revenue to fund government expenditures. However, the tax rates escalated ever since as early as 1970s. The top marginal income tax rates in the United Kingdom, New Zealand, South Korea and Taiwan were 75, 50, 70 and 60 % (Pheng and Loi 1994, as cited in Nor Hafizah and Azlin 2013).

As international trade and investment flows increased and talents became more mobile across borders, countries with high direct taxes suffered an outward migration of talented people to lower tax countries. In addition, high income taxes reduced an individual's willingness to work, save and invest. High corporate taxes discouraged initiative and drove businesses elsewhere. *Ad hoc* indirect taxes which were consequently imposed heavily and unequally on different parts of the economy have stifled economic activities. Wholesale and turnover taxes caused cascading due to the fact that by the time the product reached the consumer, the effective tax on the product has undergone many times the nominal rate.

All these resulted in a worldwide trend towards lower direct taxes and a more even distribution of the tax burden between direct income and broad-based indirect taxes on consumption such as the GST. This form of VAT has since surfaced in almost all recent tax reform exercises held, including in Japan (1989), Pakistan (1990) and Finland (1991).

The countries based on regions that have implemented GST are listed in Table 1, and according to the Royal Malaysian Customs Department (2013), as of to date a total of 160 countries in the world have implemented VAT/GST (Table 2).

Malaysia, Brunei and Myanmar are the only ASEAN countries that have not implemented the GST as of today. Whilst countries working towards a VAT/GST system are Afghanistan, Bahamas, Bhutan, Kiribati, Marshall Islands, Micronesia, Palau, Sao Tome and Principe, Syria, Gulf Cooperation Council (Bahrain, Kuwait, Qatar, Saudi Arabia, Oman and the United Arab Emirates), however China and India are to have a uniformed GST system.

In Malaysia, the tax system involves several different indirect taxes such as import duty, export duty, Government Sales Tax, Service Tax and Excise Duty tax. Hence, the government has taken the imitative to proceed with GST so as to replace the Government Sales Tax and the Service Tax. It was initially scheduled to be implemented during the third quarter of 2011, however this was delayed since the government is still reviewing the impact of the tax on the consumers in general and

Table 1 List of countries that have implemented VAT/GST

No	Region	No. of country
1	ASEAN	7
2	Asia	19
3	Europe	53
4	Oceania	7
5	Africa	44
6	South America	11
7	Caribbean, Central & North America	19

Source Royal Malaysian Customs Department (2013)

Table 2 List of ASEAN countries that have implemented VAT/GST

No	Country	GDP per capita (World Bank, 2011, USD)	Year of implementation	Initial rate (%)	Current rate (%)
1	Indonesia	3,495	1984	10	10
2	Thailand	4,972	1992	7	7
3	Singapore	46,241	1993	3	7
4	Philippines	2,370	1998	10	12
5	Cambodia	897	1999	10	10
6	Vietnam	1,407	1999	10	10
7	Laos	1,320	2009	10	10

Source Royal Malaysian Customs Department (2013)

the amount of criticism and negative perception received from the Malaysian consumers. Nevertheless, during the government reading of the 2014 budget, Malaysia Prime Minister Najib Razak announced that a GST tax of 6 % starting April 1, 2015 will be implemented to replace the Sales and Service tax which have been generally used in the country for several decades. The purpose is to reduce the country dependence on revenue from Petronas, Malaysia's state-owned oil company and seeking additional revenue to offset its budget deficit.

GST is important in order to eliminate its inherent weaknesses such as cascading and compounding effects, transfer pricing and value shifting. It also discourages vertical integration, administrative bureaucratic red tape, more effective, efficient, transparent and business friendly. Indirectly GST is expected to spur economic growth as well as increase Malaysia competitiveness in the global market.

2 Literature Review

Various studies have been conducted to accommodate the recent announcement made by the Malaysian government to implement the GST and to ensure the effectiveness of the system. The studies also include consumer readiness in accepting the GST and its impact on income earners especially the middle income category. In the light of Malaysian perspectives, the introduction of GST are deem

ambiguous and vague. Thus, various compilation and analysis of past researches of other countries such as Australia, United Kingdom, Singapore, Indonesia and Canada are taken into consideration to complement this paper.

Palil et al. (2013) had indicated in their study that Malaysian government shall expose, promote as well as educate the nation aggressively. However, no clear approaches have been highlighted on how to exercise this. The research also highlighted that respondents generally received less information and promotions from the relevant authorities. In addition, the previous research conducted by Palil and Ibrahim (2011), emphasized that clear message should be made through media to avoid misconception on the impact of GST in the price level of goods and services.

Moreover, a study by Valadkhani (2005) had explained the effects of GST on goods and services included in the Consumer Purchase Index (CPI) basket in Australia using the Box and Tiao intervention analysis. Results had shown that food, alcohol and tobacco, clothing and footwear, housing, household furnishings, supplies and services, communication and recreation had one-off GST effect on the price indices compared to health, transportation, education and miscellaneous have no statistical significant effect on the price indices in which suggested that prices thus did not increase significantly according to different CPI groups. Therefore, this information should be studied, shared and delivered to the consumer in Malaysian perspectives in order to avoid the misconception that by the introduction of GST, all goods and services price will increase significantly, thus will burden them in the long run.

GST was first introduced in Singapore on 1 April 1994 at 3 %. GST rate was increased to 4 % in 2003 and subsequently to 5 % in 2004. As announced in the Budget 2007, GST rate was raised further to 7 % on 1 July 2007 (BDO 2014). While this may just be another tax for many businesses, the rules and regulations governing the mechanism of this tax were entirely different from what companies and individuals have so far experienced from corporate and personal income tax respectively. The input tax is deductible from output tax to arrive at the GST payable by the trader, or amount to be refunded to him. A non-registered business cannot therefore collect GST from its customers and is not entitled to claim credit for GST paid to its taxable suppliers in respect of its purchases.

In Indonesia, VAT and GST are applied to most goods and services. Imports are subject to VAT and GST, but most exports are not. VAT and GST taxes are called "*Pertambahan Pajak Nilai*" or PPN. PPN is a 10 %, point-of-sale tax that extends to services supplied by foreign taxpayers outside Indonesia that allow certain items to be taxed as high as 20 % with a cap of 35 %. However, for luxury goods, additional sales tax is levied in addition to PPN, and the rates range from 10 to 50 %, with few items taxed as high as 75 % (Anglo Info 2014).

In order to meet the objectives of this study, we also analyzed the communication currently used by the government to reach the Malaysian Consumers about GST. Throughout the study, we found several communication tools such as billboards, internet, public service announcement, and official websites of the government's agencies have been used by the government in conveying the message to

consumers, however most of the information conveyed only basic information illustrated by caricature.

It is seen that most information provided was inadequate and lack of elaboration about what is GST, thus consumers have been skeptical, unprepared and unwilling to accept it. This was emphasized by Dr. Jariah Masud, President of Malaysian Consumer, Family and Economic Association (MACFEA) (Royal Malaysian Customs Department 2014). These concerns of consumers can only be overcome by providing accurate, clear and detailed briefings. With sufficient information, she believed that the people will agree that it is timely for the nation to implement GST. In general, the information provided currently is inadequate to instill the mindset of consumers to accept the implementation of GST.

The introduction of GST in Malaysia has also called for many arguments from various parties including academicians, professionals and the nation. The issue is focused primarily on how GST will affect prices of the goods. In general, the perception of GST among Malaysian showed that it is more of a burden to the consumers as GST will lead to higher prices of goods and services (Borneo Post 2012). According to the Nation's section in The Star newspaper dated October 21, 2013, HSS Advisory Sdn Bhd CEO Datuk Harjit Singh Sidhu indicated there are still fears among Malaysian on the impact of GST as there was no clear explanation from the Government. The Government should consider introducing the GST at 4 % because the public was still unfamiliar with the tax.

Further to this, Malaysian Trade Union Congress (MTUC) president Mohd Khalid Atan urged the Government to put off implementing the GST yet in view that if GST is implemented, the consumers will have to bear the consumption tax and this will definitely affect the poor. In view of the above perceptions, it is important to understand the perception of public on the implementation of GST from the perspective of developed and developing nations.

To further illustrate this point, it is best to look at examples in the countries that have adopted GST such as Canada, New Zealand and Singapore. According to The School of Public Policy, University of Calgary, SPP Research Papers (2012), when Canada implemented GST in 1991, most Canadians thought that it was a new tax, in part of the previous federal sales tax that had been invisible to the public. GST was seen for the most part as simply another tax grab that would produce large new revenues for the federal government. Thus this led to the key reasons why the GST proved to be so unpopular among Canadians, its gestation period was long and its birth in 1991 was politically painful. However, finally it has been successfully implemented and accepted as part of the Canadian tax system.

New Zealand on the other hand, introduced GST in 1986. It was imposed in New Zealand at a single rate of 10 % and the introduction and subsequent operation on GST has been a major success from the government point of view. This is because the tax was well accepted by both business and general public due to the fact that legislation establishing the tax has generally done a well thought process during the development and implementation process of the tax. Apart from the government, public justification, consultants and educationists were also involved

in the process for a period over 2 years thus; only require minimal amendments since implementation (Muir 1993).

The impact of GST in Singapore also cannot be denied. Despite of the initial customer negative perception, GST has contributed in raising Singapore's level of competitiveness, increase inflow of foreign direct investments and provides employment opportunities thus resulted in lower unemployment rate and improved standards of living (Pheng and Loi 1994). Since GST is already well received and implemented in more than 140 countries, therefore it should be accepted by Malaysian in view that the system is expected to benefits and improve the overall economy of the country.

3 Problem Statements

Effective from April 1, 2015 GST is expected to be implemented to replace the existing sales and service tax. As the deadline set for implementation is drawing closer, overall consumers are still having vague ideas in comprehending GST and how it may help to reduce the burden on consumers. Previous research found that majority of the respondents were not ready to accept GST and 80.9 % of the respondents perceived that government had inadequately promoted GST. Prof Dr. Jariah Masud, President of Malaysian Consumer, Family and Economic Association (MACFEA) commented that the Government needs to convey the right information to the consumers on GST before it is implemented (Royal Malaysian Customs Department 2014). Concerns of the consumers can be overcome by providing accurate, clear and detailed briefings. The availability of adequate information will equip consumers with clear information on GST, thus the implementation will be more effective for the nation. In view of the above fact, this paper analyses the effectiveness of communication used by the Government in instilling Malaysian consumers' mind-set to accept GST.

The main objective of this research is to evaluate the communication tools used by government in delivering the GST message. It is also aim to identify the effectiveness of message delivered by the communication tools and identify the Malaysian consumer's acceptance level on GST.

Several hypotheses have been developed in this research to examine the various relationships between the variables. The research predicts that there is a positive acceptance level among consumer on GST with regards to an ideal communication tools. Thus, the hypothesis is formulated as below;

- H1: There is a positive acceptance level of consumer on GST with regards to an ideal communication tools.
- H2: There are differences in the level of acceptance of consumer on GST with respect to their income level
- H3: There is a positive acceptance of consumer on GST with respect to the amount of information being disclose publicly.

4 Sample and Data Collection

The study was carried out on the Malaysian consumers in the Klang valley. A total of 300 questionnaires were distributed using random sampling method to gather the primary data. Based on Raosoft Software, a total of 271 surveys should be obtained to cater a total of 7,200,000 populations of Klang Valley with 5 % margin error and 90 % confidence interval. However only 214 or 71.33 % questionnaires were completed and reliable responses were gathered. SPSS was used to analyze the data that include a *t*-Test, ANOVA and Pearson correlation. This is further used to identify the mean differences between consumer's acceptance on GST with regard to their income level and gender, and to determine the relationship of acceptance on GST and communication tools, information, economics, and perceptions.

The primary data for this research was collected through a survey questionnaire whilst the questionnaire adopted from Palil and Ibrahim (2011). The questionnaire comprised of seven sections requesting different kinds of responses from the respondents: Section A required respondents to provide basic demographic information; Section B required respondents to highlight their level of understanding on GST; Section C required respondents to provide their opinion on the effectiveness of communication tools used by government to channels the information on GST; Section D highlighted the GST information been delivered; Section E requesting their perception on GST; Section F displayed the economic aspects pertaining GST; and lastly, Section G requesting the respondents on their acceptance towards GST. The scale used in the questionnaire ranged from 1 to 5 (Strongly Disagree = 1, Disagree = 2, Neither Agree/Disagree = 3, Agree = 4, Strongly Agree = 5).

The theoretical framework for this study is adapted from Shannon and Weaver Model of Communication. According to this model, communication is a process of establishing a commonness or oneness of thought between a sender and a receiver. This model is specially designed to develop the effective communication between sender and receiver. Also they find factors which affecting the communication process called "Noise". At first the model was developed to improve the technical communication. Later it is widely applied in the field of communication.

The model deals with various concepts like Information source, transmitter, noise, channel, message, receiver, channel, information destination, encode and decode. The theory lay down the foundation on explaining the effectiveness of GST, with regards to the communication tools being used as well as consumers' perceptions towards their acceptance and compliance. The key variables from the study are: communication tools, information and perceptions. In this study, Acceptance on GST is the dependent variable while the independent variables are communication tools, information, perceptions, demographic and economic (Fig. 1).

Another theory related to this study is media richness theory (Daft and Lengel 1988). It describes organizational communication channels as possessing a set of objective characteristics that determine each channel capacity to carry rich information. Rich information is said to be more capable than lean information in

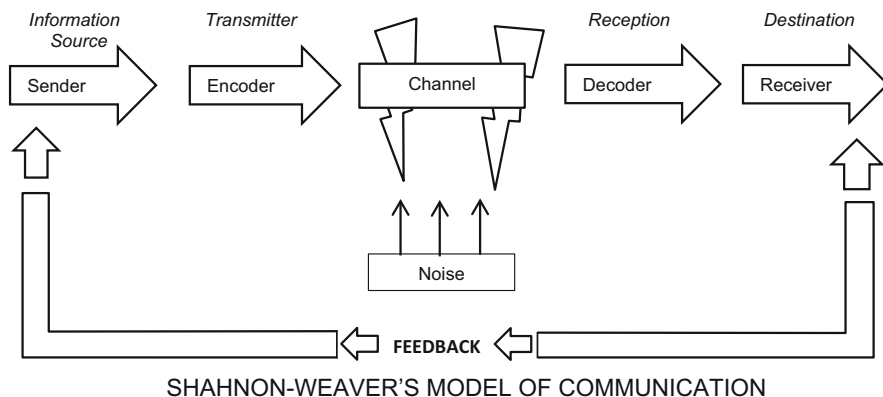


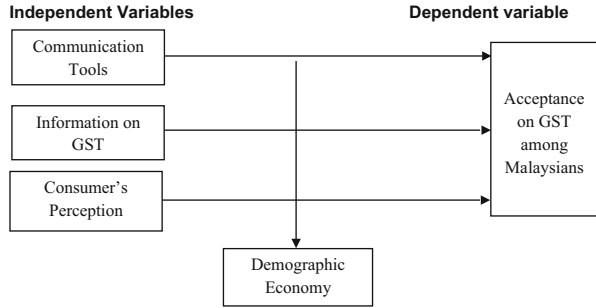
Fig. 1 Communication model (Source <http://communicationtheory.org/shannon-and-weaver-model-of-communication/>)

reducing equivocality in a message receiver. All communication channels for instance, telephone, conventional mail and email possess attributes that lead to distinct and objective richness capacities known as media. Media richness then refers to channels' relative abilities to convey messages that communicate rich information. On this basis, channels can be arrayed along a continuum describing their relative richness, which has been labeled the "media richness continuum".

Based on this theory, messages should be communicated on channels with sufficient and appropriate media richness capacities. Messages communication on channels that are inappropriate to the equivocality of a situation and the richness of the information sought to be transmitted may be misinterpreted by recipients or may be otherwise ineffective with regards to their intended purposes. From a strategic management perspective, the media richness theory suggests that effective managers make rational choices matching a particular communication medium to a specific task or objective and to the degree of richness required by that task (Richard L. Daft and Robert H. Lengel). From the perspective of this study, the government should make rational choices matching a particular communication medium to a specific task or objective to bring effective communication. Currently, the information and the channel used to convey the information on GST are rather limited. Besides, the information delivered through the chosen channels should also try to instil the mind set of Malaysian consumers to accept GST. As cited by Carlson and Zmud (1999), channel expansion theory identifies certain experiences as important in shaping how an individual develops richness perception for a given channel. However these perceptions are conceptualised quite differently than in poor literature. Hence, with rich information it should able to shape the consumers' positive perception towards GST. Eventually the acceptance should occur among the public.

In conclusion, these theories lay down the foundation on explaining the effectiveness of GST, with regards to the communication tools being used as well as consumers' perceptions and acceptance. The key variables from the study are:

Fig. 2 Theoretical framework



communication tools, information and perceptions which are considered as independent variables, while acceptance on GST is the dependent variable as shown in Fig. 2.

5 Data Analysis and Findings

Referring to Tables 3, 4, 5, 6, and 7 the data collected showed the background information of the respondents. The respondents were 80 males and 134 females in which accounted for 37.4 and 62.6 % respectively. 28 % of the respondents were from aged group 18–23 years, followed by 24–29 years old (19.2 %), 30–35 years old (17.8 %), 36–41 years old (10.7 %), 48–53 years old (9.8 %) and the remaining (5.1%) were above 53 years old.

The distribution of respondents according to their occupation varies between public sector (32 respondents—15 %), private sector (94 respondents—43.9 %), business owner (19 respondents—8.9 %), students (63 respondents—29.4 %), and others (6 respondents—2.8 %).

On monthly income, around 22.4 % of respondents earned more than RM5000, majority of the respondents of 32.3 % earned between RM2501–RM5000, followed by 18.7 % of respondents earned between RM1001–RM2500 whilst 9.8 % of respondents earned between RM501–RM1000 and 5.6 % of respondents earned between RM 200–RM500. Finally about 11.2 % respondents earned less than RM200.

Further analysis was also made on the number of respondents' number of dependents. The survey had encountered that 47.7 % of the respondents have no dependents, whilst 39.3 % of the respondents have less than 4 dependents, 12.1 % of the respondents have 5–8 dependents, and 9 % of the respondents have more than 9 dependents.

By comparing the various communication tools that have been used by the government to date such as television, newspaper, radio and internet, the survey has found that most respondents were neutral in their opinion in terms of the effectiveness of communication tools. Based on the result, 28 % found that

Table 3 Age distribution

Age	Frequency	Percentage
18–23 years	60	28.0
24–29 years	41	19.2
30–35 years	38	17.8
36–41 years	23	10.7
42–47 years	20	9.3
48–53 years	21	9.8
Above 53 years	11	5.1

Table 4 Gender distribution

Gender	Frequency	Percentage
Male	80	37.4
Female	134	62.6

Table 5 Occupational distribution

Occupation	Frequency	Percentage
Public sector	32	15.0
Private sector	94	43.9
Own a business	19	8.9
Students	63	29.4
Others	6	2.8

Table 6 Income distribution

Age	Frequency	Percentage
<RM200	24	11.2
RM200–RM500	12	5.6
RM501–RM1000	21	9.8
RM1001–RM2500	40	18.7
RM2501–RM5000	69	32.2
>RM5000	48	22.4

Table 7 Number of dependents

Age	Frequency	Percentage
None	102	47.7
<4	84	39.3
5–8	25	12.1
>9	2	9.0

Television is the most effective medium in delivering the message, followed by 28 % from Internet and 13.1 % from newspaper. Most of the respondents (68.7 %) indicated that they have seen the information about GST, while 31.3 % indicated as nil. The result further depicted that about 38.4 % out of 99 respondents have seen the information on GST in the Television, and 19.19 % saw it in the newspaper, 13.13 % saw from the internet, whilst the respondents saw the information in the social media (8.08 %), 3.03 % of respondents obtained the information through

training and 2.02 % obtained by listening to the radio. From the result, it is construed that further efforts should be carried out to widen the communication channel to reach the Malaysian consumers effectively. Lack of information being channeled through radio should be handled via corporate social responsibility of each radio station.

On the context of the quality of information, which is measured by its clarity, transparency and reliability, most of the respondents were indifferent in agree and disagreeing. Where 37.4 % has neither agreed nor disagreed with the information that provided are clear, 45.3 % for information with transparency and 42.1 % respondents neither agreed nor disagreed on the reliability of the information. However, 36.4 % of the respondents agreed that the usage of the symbols, graphics, pictures and animation are crucial to capture their attention towards understandings of GST. In addition, respondents agreed (41.1 %) that higher institutions should play vital role in providing the information of GST to public, especially university students. Thus, initiative should be taken by the government in order to produce an attractive means to relay the message of GST to Malaysian consumers, by taking into consideration on the clarity, transparency and reliability of the information itself.

Furthermore, on the issue of perception, it is recorded that 36.4 % of the respondents agreed that GST is not effective as all goods and services will be taxed, thus will lead to increase in prices. It showed that most of respondents still unclear on accurate measurement of GST, thus this is perceived as a burden to consumers. Similarly, 35.5 % of the respondents agreed that GST is not effective as they perceived it as a further burden on low income group. Interestingly, 35.5 % of the respondents believed that GST is a fair tax, as they agreed that only those people who buy goods and services only will be charged.

Besides, in relations to the acceptance factor, 40.7 % respondents agreed that the attractiveness and innovative elements or approach on promoting the GST will influence them to accept its implementation. Therefore, it should be one of the indicators that the government had to study so that the execution of the system will be successful with less interference. However, 34.1 % of the respondents agreed that they will be reluctant to accept the implementation of GST due to lacking of information being provided by the related authorities. It is shown that the acceptance of GST on the Malaysian consumers is subjected to the level of information provided. Thus, by filling the gap between these factors might be the solution to cater the continuous objection of specific group of consumers.

A reliability test was performed to ensure the consistency of the items used in measuring the variables. Result of Cronbach's alpha for all 39 items from the survey was 0.734, which indicate that findings were highly reliable.

The Pearson correlation result showed that communication tools and acceptance were significantly weakly correlated, $r = 0.243$, $p < 0.01$, information and acceptance found to be correlated with $r = 0.382$, $p < 0.01$, perception and acceptance signified relatively moderate correlation with $r = 0.449$, $p < 0.01$, and economic and acceptance had shown likely result with $r = 0.308$, $p < 0.01$. Thus, the results indicated that all variables namely, communication tools, information, economics,

Table 8 Pearson correlation statistics

Variables	r	Sig at $\alpha = 0.01$
Communication tools	0.243	0.000
Information	0.382	0.000
Perception	0.449	0.000
Economic	0.308	0.000

Table 9 One way analysis of variance (ANOVA) among respondents' income group and acceptance

	Sum of square	df	Mean square	F	Sig $\alpha = 0.05$
Between group	74.995	5	14.999	1.434	0.213
Within groups	2175.042	208	10.457		
Total	2250.037	213			

and perception have significant relationship with acceptance, in which indicating that Malaysian consumer are willing to accept the implementation of GST as attributes to the level of communication, information, economics, and perception factors. Among all variables, perception had shown relatively highest association with acceptance, which suggests that consumers' perception will strongly determine the acceptance toward GST. The details of the results can be seen in Table 8 as below;

Table 9 below depicts the results of Analysis of Variance (ANOVA) between groups of consumer's income with acceptance. Based on the result, the main effect of consumer's income was not significant, $F(5,208) = 1.434$, $p = n.s$. It revealed that consumer's income that range from less than RM200, RM200–RM500, RM501–RM1000, RM1001–RM2500, RM2501–RM5000 and income more than RM5000 did not differ on the acceptance toward GST. It further suggests that neither the consumers with higher income group nor with lowest income group, has no significant difference in their acceptance towards GST. Thus, income does not play significant role in influencing Malaysian consumers in accepting GST generally.

A *t*-test was conducted in order to determine the mean differences between gender and communication tools, information, perception, economics, and understandings, and acceptance. Tables 10 and 11 revealed that there is no significant gender differences on all variables being tested; Communication (Male: $M = 18.5250$, $SD = 4.98599$), (Female: $M = 18.2687$, $SD = 4.70508$), Information (Male: $M = 15.2625$, $SD = 3.85741$), (Female: $M = 15.3284$, $SD = 3.44402$), Perception (Male: $M = 17.0000$, $SD = 3.92332$), (Female: $M = 16.6642$, $SD = 5.83346$), Economics (Male: $M = 18.9750$, $SD = 3.24905$), (Female: $M = 19.1418$, $SD = 3.37428$), Understandings (Male: $M = 9.6250$, $SD = 3.90512$), (Female: $M = 9.8060$, $SD = 3.90773$), Acceptance (Male: $M = 17.4250$, $SD = 3.39312$), (Female: $M = 17.2090$, $SD = 3.17195$). The results indicated that male as well as female consumers' in Malaysia is having indifferent opinions upon these variables. This is consistent with research done by Palil and Ibrahim (2011) whose

Table 10 Independent *t*-test between Gender and Communication tools, information, perceptions, economics, acceptance and understandings

Variables	t	df	Mean difference	Standard error	Sig $\alpha = 0.05$
Communication	0.352	212	0.25635	0.67984	0.707
Information	-0.129	212	-0.06586	0.50915	0.897
Perception	0.457	212	0.33582	0.73531	0.648
Economic	-0.355	212	-0.16679	0.47023	0.723
Acceptance	0.470	212	0.21604	0.46006	0.639
Understandings	-0.328	212	-0.18097	0.55198	0.743

Table 11 The mean, standard deviation and standard error between gender and communication tools, information, perceptions, economics, acceptance and understandings

Variables	Gender	Mean	Standard deviation	Standard error
Communication	Male	18.5250	4.98599	0.55745
	Female	18.2687	4.70508	0.40646
Information	Male	15.2625	3.85741	0.43127
	Female	15.3284	3.44402	0.29752
Perception	Male	17.0000	3.92332	0.43864
	Female	16.6642	5.83346	0.50393
Economic	Male	18.9750	3.24905	0.36325
	Female	19.1418	3.37428	0.29149
Acceptance	Male	17.4250	3.39312	0.37936
	Female	17.2090	3.17195	0.27401
Understandings	Male	9.6250	3.90512	0.43661
	Female	9.8060	3.90773	0.33758

result showed that gender have no significant differences for readiness, perceptions, acceptance and behavior.

6 Conclusion and Recommendation

In consideration of various efforts that have been engaged by the government to increase the awareness of Malaysian consumers toward GST, this research found that generally, 69.27 % of the Malaysian consumers understand GST and 41.6 % is willing to accept it, subject to the clarity, availability and reliability of information provided about the GST. Perceptions has the strongest association with acceptance, in which suggests that the Government should focus and enhance their effort to diminish the negative rumors on GST, in order to be able to implement it successfully.

Whilst the study has provided insights into the various factors such as demographics, communication tools, information, perception, economics, acceptance

and understandings towards GST, it has some limitations that may render some error on the findings. For one, since the data for this study was limited to Klang Valley areas, the results only reflected to the selected area and may not generalizable to other parts of the country.

Lastly, based on the above findings it can be concluded that there is a strong possibility of Malaysian to accept the implementation of GST provided that the message conveyed is clear and transparent. Notwithstanding the consumers' perception on GST, the Malaysian Government will continue to implement it by May 2015 in view of its benefits to the overall economy of the country.

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