

The Influences of Marketing Mix on Customer Purchasing Behavior at Chatuchak Plaza Market

Bundit Pungnirund

Abstract—The objective of this research was to study the influence of marketing mix on customers purchasing behavior. A total of 397 respondents were collected from customers who were the patronages of the Chatuchak Plaza market. A questionnaire was utilized as a tool to collect data. Statistics utilized in this research included frequency, percentage, mean, standard deviation, and multiple regression analysis. Data were analyzed by using Statistical Package for the Social Sciences. The findings revealed that the majority of respondents were male with the age between 25-34 years old, hold undergraduate degree, married and stay together. The average income of respondents was between 10,001-20,000 baht. In terms of occupation, the majority worked for private companies. The research analysis disclosed that there were three variables of marketing mix which included price (X_2), place (X_3), and product (X_1) which had an influence on the frequency of customer purchasing. These three variables can predict a purchase about 30 percent of the time by using the equation; $Y_1 = 6.851 + .921(X_2) + .949(X_3) + .591(X_1)$. It also found that in terms of marketing mixed, there were two variables had an influence on the amount of customer purchasing which were physical characteristic (X_6), and the process (X_7). These two variables are 17 percent predictive of a purchasing by using the equation: $Y_2 = 2276.88 + 2980.97(X_6) + 2188.09(X_7)$.

Keywords—Influences, Marketing Mixed, Purchasing Behavior.

I. INTRODUCTION

NOWADAYS the instability of Thai politics has an effect on the confidence of both domestic investors and international investors which disseminates to the domestic consumer confidence. The high price of gas and inflation problem are on the rise which results in the high cost of production, high cost of transportation, and in turn, high price of goods and services. The consumers bear much of burden of high prices on many goods and services [1]. In the survey of consumer spending in Bangkok during the fluctuation of gas price during March 12-25, 2011, the result revealed that consumers in Bangkok become parsimony and 79.2 percent of the sample had changed their purchasing behavior to be more careful, wise, and frugal. From the survey of 1,151 consumers in the Bangkok area, it was found that 86 percent want to shop at a weekend market which offered cheaper prices, acceptable quality, and variety of goods [2].

The uncertainty after the recovery of the economy in 2011, the high cost of production and high price of consumer goods and service, the political unstable and natural disaster had astronomical effects on Thai consumer behavior as well as

their purchasing power during the year of 2011. These consumers with little confidence on their future income were extremely careful in their spending and tried to reduce unnecessary expenses as well as compulsory purchases. Moreover, Thai consumers had transformed their way of shopping into more urban life-style consumers. They preferred some market factors such as convenience of location shopping with variety of ways of transportations and variety of goods and service. Value for money and high quality were two main factors of the purchasing decision. Low price alone without good quality will not be attractive to the modern consumers. Consumers preferred to purchase from the best in town in terms of low price, high quality, and offer many values and benefits. However, since 2011 the government has planned to raise the government officials' income and initiated many mega projects. Also, the Thai government planned to raise the minimum wage for the private sector. From this reasons, it was expected that this plan would benefit the private sector and would increase consumer purchasing power [3].

Chatuchak plaza market was aimed to be the largest market of house decorations that offered a variety of goods and services and tried to be the best market on Phahonyothin road. The market suffered from a recession as well as severe competition from oversupply of sellers. The problems also included sensitive consumers in their purchasing. The Chatuchak market overall sales declined when compared to that of last year [4]. Another imminence problem for Thai retailers is the coming of Chinese retailers group which plan to build a huge retail shopping center in Thailand and this is expected to increase competition. Thai retailers needed to revamp their marketing plan to be able to compete for every bit of market share [3].

However, Chatuchak plaza market still has some advantages over its rivals such as it can open from 09.00 - 18.00 o'clock and on the weekend, there would be a closed road with more space. The transportation around the market was very convenient. There are bus, taxi, BTS train, and MRT train. There also the huge parking space and good security system. The market also offers a distinguish zone of goods and services for the convenience of customers [4].

From the information above, it is important to do the research which aims to study the influence of marketing mix on consumer purchasing behavior at the Chatuchak plaza market. The result of the findings will help business enterprises to understand consumer purchasing behavior. Findings from this research will be used for a strategic marketing plan to increase consumer satisfaction in the future.

Bundit Pungnirund is with the Faculty of Management Science, Suan Sunandha Rajabhat University, Bangkok, 10300 Thailand (Phone: 662 160 1490; fax: 662 160 1491; e-mail: bunditpung@hotmail.com).

II. METHODOLOGY

A. The Objectives of this Research

1. To compare consumer purchasing behavior according to the demographic information.
2. To study if the marketing mix has any influence on customer purchasing behavior Chatuchak plaza market or not.

B. Research Hypotheses

Based on literature survey the following hypotheses have been derived:

1. Do consumers with different demographic background have different purchasing behavior?
2. Does marketing mix have an influence on consumer purchasing behavior Chatuchak plaza market?

C. Research Framework

Research framework was drawn from many researches and many theories. In addition, the questionnaire was designed by using idea from Kotler [5]. The marketing mix idea was used the idea from Serirut [6].

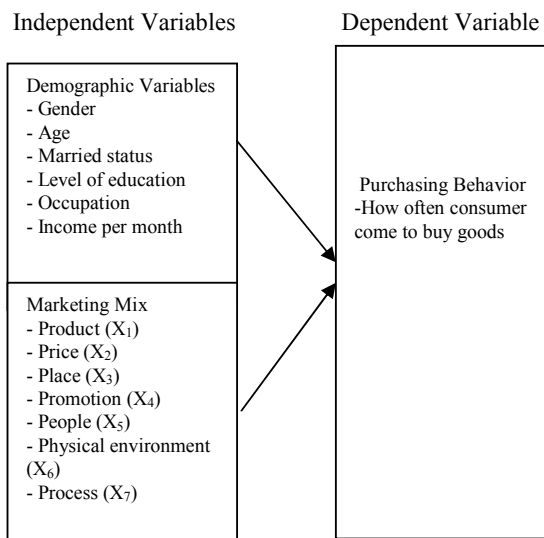


Fig. 1 Conceptual framework

The population used in this study was all the customers who came to shop during Saturday and Sunday which was estimated about 50,000 customers a day [4]. A total of 397 respondents were selected by using simple random sampling and for each zone of the market. There were three stages in the process of selecting respondents.

Stage one: use the simple random sampling in all five zone of the market.

- Zone A: House decoration and souvenir
- Zone B: House decoration, souvenir, and accessories
- Zone C: House decoration, accessories, and painting
- Zone D: Pet, and accessories
- Zone E: Furniture and house decoration

By random drawing, Zone B, C, and E were selected.

Stage two: quota sampling was used to get about 132-133 respondents for each zone.

Stage three: use systematic random sampling to determine to get about 8 days and to collect respondent about 49-50 respondents per day by distributing the questionnaire directly to each customers.

III. FINDINGS

The findings disclosed that the majority were male between 25-34 years old, married and live together. The majority had an undergraduate degree working for private companies. The average income of the respondents was between 10,001 - 20,000 baht. The respondents rated the marketing mix of product, price, place, promotion, people, physical environment, and process as high. For every three months, the average shopping was 5 times. The average purchase was about 5,396 baht. Most of the time, consumers would purchase house decoration. The main reasons for choosing Chatuchak plaza market included convenient location for travel and often come to purchase by themselves. The best time to come was between 13.01-15.00 PM.

The hypothesis testing results revealed that consumers with a different age had the difference in their purchasing behavior in terms of the frequency of purchasing with the 0.05 level of significance. Moreover, the marketing mix: price, place, and product had the correlation coefficient of 0.921, 0.949, and 0.591 respectively. These three variables could predict the frequency that consumers prefer to shop for every three months or Y_1 . Whereas, the marketing mix: physical environment, process had the correlation coefficient of 2980.97 and 2188.09 respectively. These two variables could predict the how much customers will spend each trip or the expenses which was Y_2 .

IV. DISCUSSION

1. The findings revealed that consumers with difference in age had different purchasing behavior during a period of three months with the 0.05 level of significance. The customers who had the age of 24 years old or below purchased less frequently than the customers who had the age of 25-34 years old. The average difference between two groups was about 2.07 trips. This result concurred with the research of Panpasit who studied the factors of decision making in the moving weekend market, a case study of Tamong district, Kanchanaburi, which showed that customers with age difference had a difference purchasing behavior [7]. The reason of this difference may come from the fact that customers with the age of 25-34 years old were employed customers with income and tended to be interested in buying new house and house decoration.
2. The marketing mix in terms of price, place, and product were the factors that affected the purchasing behavior in terms of the frequency in purchasing during a period of three months. Therefore, the business owners should focus

more on those factors and it should encourage more purchases. This result concurred with the study of Jirathonwat who studied the factors of the marketing mix for consumers who purchased souvenirs at Dankiewn community, Chokchai district, Nakorn Ratchasima; and his results showed that marketing mix in terms of product, price, and promotion had a huge influence on consumer purchasing [8]. His study also found that the marketing mix in terms of physical environment and process had an influence in terms of the amount of purchasing in each trip. The result also agreed with the study of Intawee who studied about the factors related to purchasing behavior of the consumers at Thonburi weekend market and reported that the marketing mix overall had the influence on consumer purchasing behavior [9].

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V.RECOMMENDATION

1. The finding revealed that the customers with the age between 24-35 years old came to shop more frequent and with larger amount of expenses than any other group and they often chose to buy house decoration items. The reasons for shopping at the Chatuchak plaza market included convenient of location and means of transportation. These customers often shop between 13.01-15.00 PM. Therefore, it would be advantages to use this information to set up a strategic marketing plan to get more market share.
2. The findings revealed also that the marketing mix in terms of physical environment and process is important and had a coefficient value of 2980.97 which was the highest value. Therefore, the management of the Chatuchak plaza market should consider enhancing the physical environment to attract more customers; things such as the cleanliness of the market, the proper light, the space for parking. The second highest value of coefficient was the process, with the value of 21.88.09. Therefore, the management should consider things such as focus more on the proper time opening and closing, the correctness of checking the merchandise, the fast and correctness at the cashiers, the insurance or warranty of the products, and the quality of product delivery.

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