CAN MARKETING MIX FACTORS AFFECT DECISION TO BUY CHINESE-BRAND SMARTPHONES OF STUDENTS IN BANGKOK, THAILAND?

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ABSTRACT

Abstract— The purposes of this research are 1) to compare the marketing mix factors affecting the decision to buy Chinese-brand smartphones of undergraduate versus postgraduate students in Bangkok, Thailand and 2) to propose strategic guidelines for mobile-phone manufacturers and retailers in Bangkok, Thailand to increase their sales volume. The concepts of the marketing mix (4Ps) and the related marketing research were reviewed. The sample is 400 respondents, comprising 200 undergraduate students and 200 post graduate students who are studying in diverse universities. The questionnaire was research instrument used to collect the data. The mean, standard deviation, T-test, regression were used to analyze the data. The results found that the undergraduate students paid the attention to 1) promotion factors, 2) price factors, 3) place factors, and 4) product factors in turn. While, the postgraduate students paid the attention to 1) product factors in turn. While, the postgraduate students paid the attention to 1) product factors, 2) promotion factors, 3) price factors, and 4) place factors in turn. Moreover, the study found that marketing mix factors (4Ps) impact the decision to buy smartphone of undergraduate and postgraduate students in Bangkok at a statistically significant level of .000. The study suggests that the entrepreneurs should make the products which classified into diverse models to suitable with specific customers, such as offering the reasonable-price models with attractive promotions for selling undergraduate students, while offering the quality-based models for selling postgraduate students. For further research, the studies on actual usage of Facebook as part of marketing mix strategies.

Keywords— Marketing Mix, Buying Decision, Chinese-brand smartphones

INTRODUCTION

Humans are social animals living together is part of a group. It is necessary to have communication, a vital factor in coexistence and activities within the group. Thus making human society always creative ways to communicate in different ways to achieve the objectives that need to be occur via evolution communication. So when communications technology continues to develop, constantly making mobile phone Smartphone device must be updated and developed to accommodate new sarcoma media technology constantly to meet the needs of the consumer behaviors change over time (Adekunle et al., 2018).

A smartphone is a mobile phone with highly advanced features. A typical smartphone has a high-resolution touch screen display, Wifi connectivity, Web browsing capabilities, and the ability to accept sophisticated applications. The majority of these devices run on any of these popular mobile operating systems: Android, Symbian, IOS, BlackBerry OS and Windows Mobile. At present, the smartphone has been developed. More modern such as having a two-lane camera, waterproof, front camera can open flash and camera is very clear and some is expensive. For example of smartphone is very popular in Thailand of nowadays is I-phone because it have a beautiful and strong of package so this smartphone brand can make the marketing growth, However, many people prefer Chinese-brand smartphones, for example Huawei and Xiaomi (Pinto et al., 2019). This research is designed to introduce manufacturer to design a smartphone meet the needs of students because students tend to have different needs. So this research to make benefit for smartphone entrepreneurs and manufacturers. This study, therefore, aims to explore and sorts factors that affect the selection of Chinese-brand smartphones of undergraduate versus postgraduate students in Bangkok, Thailand.

LITERATURE & THEORY

2.1 Chinese-brand smartphones

Smartphones are a part of daily life. They help us to stay connected. They entertain and inform. According to a study by Ha and Zhang (2018) the most popular types of smartphones are the iPhone and Android. iPhone: Apple's iPhone is one of the bestselling smartphones in Thailand. It runs Apple's iOS (operating system) with features such as Safari, Face Time, and Siri, a personal digital assistant. Siri can remind you of appointments, and just by speaking a song title into the phone, you can play music hands-free. Additionally, you'll find free and paid apps on Apple's App Store. While, Android: From Google, the Android OS powers many types of smartphones on the market. An Android phone works with Google products such as Gmail, Google Drive, and Google search. Android phones can be used without having a Gmail account, but they work best with it.

For the global smartphone brands, Huawei and Xiaomi were one of top 5 smartphone market share in the world. Huawei and Xiaomi brands were Chinese manufacturer brands from China which produces smart phones available in various price ranges and mainly sold within China. Currently, Huawei and Xiaomi expands into more foreign markets. Huawei is the China's leader in communications technology and pushes the image of being a Global Brand as the main sponsor of Arsenal Football Club in the past, whereas Xiaomi is the most popular smartphone brand in China. The Xiaomi brand is in the niche market group which is power users who have distribution channels via online in China only by relying on word of mouth marketing and focusing on producing good quality smart phones at an affordable price. Therefore, Xiaomi occupies a large share of the smartphone market in China. As a result, it has taken over the share of the global smartphone market by leaps and bounds in a short time. It is also different marketing from other brands by selling products through online systems in China only according to the behavior of Chinese consumers. Most of them tend to buy products through online websites. Xiaomi, hence, can create sales and occupy a greater market share than Lenovo, the manufacturer of notebook computers from Taiwan (Gradner Inc., 2021)

2.2 Decision Making Process

Decision making is the process of making choices by identifying a decision, gathering information, and assessing alternative resolutions. Using a step-by-step decision-making process can help you make more deliberate, thoughtful decisions by organizing relevant information and defining alternatives. This approach increases the chances that you will choose the most satisfying alternative possible (Choudhury et al., 2019).

Glenn Walters (1978), besides, indicates that social and economic customer behaviors are linked, as depicted in S - R Theory (Stimulus – Response Model). The model begins with input factors or external influences such as marketing stimuli and environmental stimuli which lead to buyer decision making, resulting in output factors or buyer response, as shown in Figure 1.

Figure 1
Customer Decision Making Process
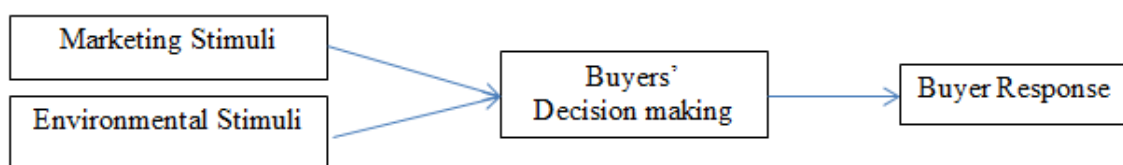
2.3 Marketing Mix (4Ps)

Kotler (2012) defined the marketing mix as one of the most famous marketing terms. The marketing mix is the tactical or operational part of a marketing plan. The marketing mix is also called the 4Ps and the 7Ps. The 4Ps are price, place, product and promotion. The services marketing mix is also called the 7Ps and includes the addition of process, people and physical evidence. The marketing mix is .he set of controllable tactical marketing tools – product, price, place, and promotion – that the firm blends to produce the response it wants in the target market.

Price - the amount the consumer must exchange to receive the offering. The company's goal in terms of price is really to reduce costs through improving manufacturing and efficiency, and most importantly the marketer needs to increase the perceived value of the benefits of its products and services to the buyer or consumer. There are many ways to price a product. Let's have a look at some of them and try to understand the best policy/strategy in various situations.

Place - company activities that make the product available to target consumers. Place is also known as channel, distribution, or intermediary. It is the mechanism through which goods and/or services are moved

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from the manufacturer/ service provider to the user or consumer.

Product – the goods-and-services combination the company offers to the target market. For many a product is simply the tangible, physical item that we buy or sell. You can also think of the product as intangible i.e. a service. In order to actively explore the nature of a product further, let's consider it as three different products the CORE product, the ACTUAL product, and finally the AUGMENTED product. The Product Life Cycle (PLC) is based upon the biological life cycle. For example, a seed is planted (introduction); it begins to sprout (growth); it shoots out leaves and puts down roots as it becomes an adult (maturity); after a long period as an adult the plant begins to shrink and die out (decline). The Customer Life Cycle (CLC) has obvious similarities with the Product Life Cycle (PLC). However, CLC focuses upon the creation and delivery of lifetime value to the customer i.e. looks at the products or services that customers need throughout their lives.

Promotion - all of the activities marketers undertake to inform consumers about their products and to encourage potential customers to buy these products. Promotion includes all of the tools available to the marketer for marketing communication. As with marketing mix, marketing communications has its own promotions mix. Whilst there is no absolute agreement on the specific content of a marketing communications mix, there are many promotions elements that are often included such as sales, advertising, sales promotion, public relations, direct marketing, online communications and personal selling.

2.4 Hypothesis Development

Zhong & Mitra (2020) depict that type of product and type of decision context were the most influencing factors regarding product requirements. Fashion retail buyers in China are substantially restricted by the management style of the firm, which also influences the product mix choice. To evaluate merchandise, fashion buyers take into account consumer demand, company position, geographical differences and fashion trends. In regards to making buying decision, reasonable-cost and quality product become paramount. The study also demonstrates that country of origin is a less significant factor in the fashion buyer's decision-making process.

In addition, Palalic, Ramadani, Mariam Gilani, Gërguri-Rashiti, and Dana (2020) found that distribution channel via social media is found to have a partially significant impact on consumers' buying decision; word of mouth and content credibility are the two factors that influence consumers' buying decision. Pakistani consumers, below the age of 40, possess more complex buying decision, which alerts entrepreneurs to consider it for their future marketing mix strategies. Moreover, as reviewed by Aunyawong et al. (2020), the quality product with reasonable price and right place can lead to marketing performance and customer satisfaction. As a result, there are 2 hypotheses in this study, as shown in Figure1.

H1: Personal factor - levels of education differently impact the decision to buy Chinese-brand smartphones of students in Bangkok, Thailand.

H2: Marketing mix factors (4Ps) impact the decision to buy Chinese-brand smartphone of students in Bangkok, Thailand.

Figure 2
Research Conceptual Framework
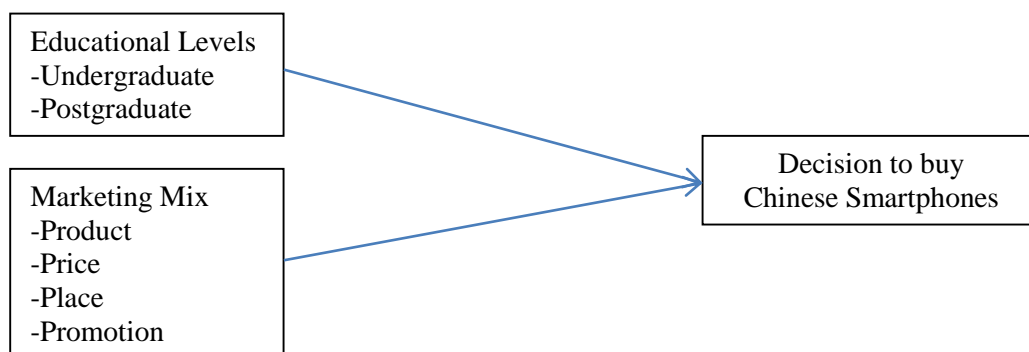
METHODS
3.1 Samples and data collection

The researchers used the sample size calculated from Partial R^2 of Cohen, (1977) to ensure the sufficient sample (Cohen, 1977). As a result, 400 samples, divided into 200 undergraduate students and 200 postgraduate students, were asked to answer the questionnaire on educational levels and marketing mix affecting decision

to buy Chinese Smartphones. In this study, the sample selection is based on non–probability sampling by using convenience sampling as consumers, who used to buy Chinese-brand smartphones, in Bangkok during May 2021.

Table 1
Demographic Information of Respondents

Demographic Characteristics	No. of Respondents	Percentage
Gender		
Male	218	54.50
Female	182	45.50
Total	400	100.00
Marital Status		
Single	368	92.00
Married	18	4.5
Divorce	14	3.5

3.2 Measurement

The items in the questionnaire were developed form the concept of Shokrani, Haghighi, Pariceh, and Shokrani (2019). Product Factors was comprised of 5 items. The sample items involve "Smartphone is very strong", "Easy to use", "Beautiful design", "Good Quality" and "Easy to carry." Price Factors was comprised of 4 items. The sample items involve "Price is reasonable with the size of the smartphone", "Price is reasonable with product", "Price is reasonable with application" and "Price is reasonable with service". Place Factors was comprised of 4 items. The sample items involve "Smartphone near the department store", "Convenient transportation", "The distance between the accommodation and the university is not too far" and "The store is reliable". Promotion Factors was comprised of 3 items. The sample items involve "There is widespread advertising", "Rent discount" and "Flexibility to pay rent". All items were scored on five-point rating scale, ranging as follows: 1 (least agrees), 2 (few agree), 3 (agree), 4 (very agree) and 5 (most agree).

Index of Item Objective Congruence (IOC) was used to inspect the content validity of questions, including clearness, coverage, and language accuracy. Some questions, however, were unclear so that the experts gave recommendations in adjusting those questions to be consistent with the context of students who used to buy Chinese-brand smartphones.

3.3 Data Analysis

Descriptive analysis of the empirical data was carried out employing by Pearson Chi-Square Test. It aims to determine if there is a significant relationship between two variables to prevent the problem of multicollinearity. Besides, T-Test was used to test Hypothesis 1 and regression analysis was used to test hypothesis 2.

RESULTS

According to hypothesis 1, personal factor - levels of education differently impact the decision to buy smartphone of students in Bangkok, the results found that significant level of .001. So, Hypothesis 1 can be supported. It concluded that. The undergraduate students paid the attention to 1) promotion factors, 2) price factors, 3) place factors, and 4) product factors, in turn, while the postgraduate students paid the attention to 1) product factors, 2) promotion factors, 3) price factors, and 4) place factors, in turn, as shown in Table 2.
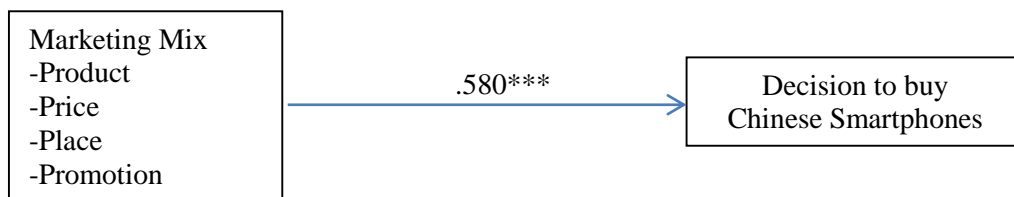
Table 2
Independent T-Test Results

Model	N	Mean	Std. Deviation	Sig
Undergraduate students	200	4.19	1.136	.000***
Post graduate students	200	3.85	1.232	
Total	400			

According to hypothesis 2, marketing mix factors (4Ps) impact the decision to buy smartphone of students in Bangkok, the results found that marketing mix factors (4Ps) impact the decision to buy smartphone of undergraduate and postgraduate students in Bangkok at a statistically significant level of .001, as shown in Table 3 and Figure 3.

Table 3
Regression Results

Model	Unstandardized Coefficients		Standardized Coefficient	t	Sig
	B	Std. Error	Beta		
1 Constant	3.899	0.46			.000
Marketing Mix Factors	0.625	0.48	.580	9.301	.000

Figure 3
Regression Results

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┌─────────────────────┐                          ┌──────────────────────┐
│ Marketing Mix       │      .580***             │ Decision to buy      │
│ -Product            │ ───────────────────────► │ Chinese Smartphones  │
│ -Price              │                          │                      │
│ -Place              │                          │                      │
│ -Promotion          │                          │                      │
└─────────────────────┘                          └──────────────────────┘
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Note: $R^2 = 0.630$, $AR^2 = 0.616$, ***$p < .001$, ** = $p < .01$, * = $p < .05$

5. Conclusion and Discussions

The results were consistent with the study of Solimun and Fernandes (2018), which found that marketing mix factors affected customer loyalty to buy products since it creates customer satisfaction Aunyawong et al., (2020). However, the postgraduate students tended to concern less about price because they focused more on quality of products. This might cause from the salary they obtained when they graduated and then had a work. As a result, hypothesis 1 - Personal factor such as levels of education differently impact the decision to buy smartphone of students in Bangkok, Thailand and hypothesis 2 - Marketing mix factors (4Ps) impact the decision to buy smartphone of students in Bangkok, Thailand was supported.

For practical recommendations, first, the entrepreneurs should make the products which classified into diverse models to suitable with specific customers, such as offering the reasonable-price models with attractive promotions for selling undergraduate students, while offering the quality-based models for selling postgraduate students. For further research, the studies on actual usage of Facebook as part of marketing mix strategies are still up-to-date and need for generalization (Pantano et al. 2019), especially the studies on the context of Thailand. Moreover, the studies on trustfulness between smartphone manufacturers and customers should be studied as trustfulness could be the significant factor in the business management context in Thailand (Aunyawong et al. 2018).

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