FACTORS INFLUENCING OF DECISION MAKING ON USED CARS' PURCHASING IN BANGKOK.

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ABSTRACT

The research objectives aimed 1) To examine factors influencing of the decision making on used cars' purchasing in Bangkok that 7P's comprised of product, price, place, promotion, people, process and physical characteristics and 2) To compare the influencing of personal factors and decision making on used cars' purchasing in Bangkok.

The sample represented 384 used cars' customers in Bangkok and collected from the purposive sampling method, the research instruments represented the constructed questionnaires with statistical analysis on percentage, frequency, mean and standard deviation. The statistical hypothesis testing was done in the term of t-test, F-test and bilateral comparison by Least Significant Difference method.

The finding found that 1) Most of the sample represented males with 25-35 years old, bachelor's degree background, corporate employees in occupation with 20,001-30,000 Baht of income 2) Factors significantly influenced in the most statistical overall level to the decision making on used cars' purchasing in Bangkok. Considering of each factor found that the most influencing factors toward the decision making on purchasing represented product and price, the significant influencing factors such as promotion, processes, physical characteristics, place and people in descending respectively.

INTRODUCTION

Cars were considered as the 5th living and crucial factor of human to facilitate the travelling of the private, business, tourism, transportation and others in the current economic situation, especially the expansion of urban stimulated the private demand in cars. Used cars represented a role in replacing current cars as another option to people with a reasonable price respectively their income. The used car market was still interesting and rapid growing rate further, even if the fluctuations of economic, travel needs were necessary for Thai people and more competition in this business. Therefore, the necessity of cars contributed the increasing significant respectively together with the needs and values of role's images in society and influenced to buying more cars among the competition in terms of advertisement, broadcasting and magazines (U-Krit Uthaiwattana, 2014). The used car market had started continuously since the end of 2015 affected by the first car tax refund program and caused the fallen price of used cars on year 2016 approximately 1.31-1.37 million cars, increasing from 1.25 million cars from 2015 with the higher trend and crucial of 1) The higher price of used cars due to the more demand 2) Increasing amount of used car loans 3) Nonperforming loan decreased due to the extension of the repayment period by the financial institution.,Etc. In addition the cooperation between used car dealers and financial institutions provided credit campaigns or promotions to increase sales such as special interest 2.99% with installments up to 84 months and guarantee up to 2 years. However, used cars market in the second quarter of 2016 was likely to suffer a shortage due to car manufacturers reduced their production according the demand condition that caused customers hesitated to promote their cars and

purchase recent models which delay the launching and made the increasing of demand in used cars (report of the business situation and trends in the 2nd quarter of 2016). Marketing factors represented crucial concepts for the marketing strategy formulation according to Kotler (1997, p.105), the marketing mix consisted of 7P's in marketing mix such as product, price, place, promotion, people, process and physical environment that influenced the consumer's decision making in purchasing. At present, the modern marketing management focused on customers which were considered the heart of the business. Therefore, the used car business might provide customers satisfaction by the effective marketing strategic planning (Ing-Orn Chaiyan, 2007, page 1). From the above-mentioned reasons, the researcher was interested in studying factors that influenced the behaviors and decision making on used cars' purchasing in Bangkok and contributed guidelines for used car business and new comers.

Research objectives
      1) To study factors influencing of the decision making on used cars' purchasing in Bangkok that 7P's comprised of product, price, place, promotion, people, process and physical characteristics.
      2) To compare the influencing of personal factors and decision making on used cars' purchasing in Bangkok.

METHRODOLOGY

      The sample represented used cars' customers in Bangkok and collected from the purposive sampling method, because the population was large and unknown number of population by specifying 384 sample sizes with 95% statistical confidence in order to ease of evaluation and data analysis. The researcher obtained at least sample size of 384 samples which could be considered to satisfy the criteria. The research instruments represented the constructed questionnaires with statistical analysis on percentage; frequency, mean and standard deviation. The statistical hypothesis testing was done in the term of t-test, F-test and bilateral comparison by Least Significant Difference method.
      Data collection
      The researcher collected the data by questionnaires with following steps.
      1. The researcher specified the query number code to each questionnaire.
      2. The researcher collected data by Issuing questionnaires in the designated areas and provided respondents to fill out one set of questionnaires themselves with five to ten minutes and waiting for returned questionnaires.
      3. To check returned questionnaires only the completing and processed with a computer later.

Statistic represented in the research.
      1)   Descriptive statistics represented
         1.1 percentage and frequencies described the personal factors
such as gender, age, academic background, career and average monthly income.
         1.2 Mean and standard deviation represented to analyze marketing mix factors consisting of product, price, place, promotion people, process and physical characteristic.
      2) Inferred statistics represented reference statistics that could explain in term of
         2.1 T-test statistics represented the study of population characteristic of a sample consisting of sex.
         2.2 One-way ANOVA statistics represented to examine demographic characteristics of the sample consisting of age, academic background, occupation and average

monthly income in term of more than two independent variables, when found that there were statistically significant differences at the level 05, the researcher examined bilateral comparison by Least Significant Difference method in the case of unequal of variances of independent variables.

RESULTS

The finding found that 1) Most of the sample represented males with 25-35 years old, bachelor's degree background, corporate employees in occupation with 20,001-30,000 Baht of income 2) Factors significantly influenced in the most statistical overall level to the decision making on used cars' purchasing in Bangkok. Considering of each factor found that the most influencing factors toward the decision making on purchasing represented product and price, the significant influencing factors such as promotion, processes, physical characteristics, place and people in descending respectively.

DISCUSSION

The finding of "Factors Influencing of Decision Making on Used Cars' Purchasing in Bangkok" found the crucial issues that factors significantly influenced in the most statistical overall level to the decision making on used cars' purchasing in Bangkok. The considering of each factors found that the most influencing factors toward the decision making on purchasing represented product and price, the high influencing factors such as promotion, processes, physical characteristics, place and people in descending respectively that according to the study of Sopida Kunrang (2015) conducted a study on customer relationship management that influenced the buying decision making on used cars in Muang District, Maha Sarakham, the findings revealed that the influencing of buying decision making with the high level in overall, when considered in each aspect that represented at the high level in terms of product, price, place and marketing promotion in descending respectively. The findings were also an accord to Thitipong Petdee's (2012) conducted a study on consumers behaviors who wanted to buy used cars in Muang District, Nakhon Pathom and findings revealed that the marketing mix factors of used cars found that consumers had the level of strong agreed on overall factors and especially very strong agreed on the product factor.

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