

CONSUMER BEHAVIOR AND MARKETING MIX FACTORS AFFECTING ON MOBILE PHONE BUYING DECISION OF CUSTOMER IN THAUTHEN DISTRICT, NAKHON PHANOM PROVINCE.

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ABSTRACT

Mobile phone devices seem to be one of the fastest growing rates of technology in the modern market. There are many different factors affecting choice of mobile phone and buying decision of customer. This research aimed to study customer behavioral factors and marketing mix factors affecting on mobile phone buying decision of customer in Thauthen District, Nakhon Phanom Province, Thailand. The research study used a quantitative research method. The samples of 400 customers in Nakhon Phanom Province were selected by simple random sampling based on Taro Yamane formula. Data were collected through 5-point Likert scale questionnaires. Cronbach's alpha coefficient of customer behavioral factors, marketing mix factors, and mobile phone buying decision of customer in Thauthen District, Nakhon Phanom Province were 0.914, 0.982, and 0.853, respectively. Data were analyzed by descriptive statistics and inferential statistics including the Pearson Product-Moment Correlation and Multiple Regression Analysis.

The research results found that customers' opinion on customer behavioral factors, marketing mix factors, and mobile phone buying decision of customer were at the high levels with mean scores of 4.05, 4.31, and 4.84, respectively. The research results from hypotheses testing shown that customer behavioral factors, and marketing mix factors can predict mobile phone buying decision of customer up to 42.30% (Adjusted R-Square 0.423) at 0.05 significant level. Customer behavioral factors had statistically significant direct influenced on mobile phone buying decision of customer with standardized coefficients (β) of 0.331. Marketing mix factors had statistically significant direct influenced on mobile phone buying decision of customer with standardized coefficients (β) of 0.447. In conclusion, customer behavioral factors and marketing mix factors had significantly influenced on mobile phone buying decision of customer in Thauthen District, Nakhon Phanom Province, Thailand suggesting businesses should concentrate on these vital factors in order to continually raise mobile phone buying decision of customer.

Keywords : Customer behavior factors, Marketing mix factors, Buying decision of customer

INTRODUCTION

In the current globalized society, humans can communicate with one another very quickly and easily because the technology of communication and network development are increasing. Mobile phones cannot only communicate as in the early days, but also being used

in the field of entertainment, play games, listen to the music. A smart phone, similarly is much more powerful for communication and entertainment, especially through the internet and the social networks. Customers have various choices on mobile phone selection based on several factors such as their behavior. Understanding customer's behavior will help business quickly respond to customer's need and improve business strategy for the future. In addition, marketing mix factors of mobile phone seem to be another significant factors on customer decision. The importance of the above reasons is the cause of the study.

The objectives of this research are as follows. 1) To compare the difference of mobile phone buying decision of customer in Thauthen District, NakhonPhanom Province based on personal factors and 2) to study the marketing mix factors influencing on mobile phone buying decision of customer in Thauthen District, NakhonPhanom Province. The paper begins with a review of the concepts related to customer behavioral factors and marketing mix factors influencing on mobile phone buying decision of customer in order to conceptualize the framework and to test the hypotheses. Next, the research methodology, analysis of data and research results are presented. Finally, conclusion and discussion of the research findings as well as business suggestions for future research are recommended.

LITERATURE REVIEW

Customer Behavioral Factors

Consumer behavior refers to processes and activities in which individuals are involved in the search, selection, purchase, use, evaluation, and elimination of products and services after use. Consumer behavior is much more concentrate than that in the past. Consumer buying behavior is how individuals choose, purchase, use and disposal of products and services to meet the consumers' needs as stated by Kotler, P. and Armstrong, G. [1]. Consumer buying behavior is directly associated to the purchase of products and services which are stimulated the decision-making process before and after as stated by Shih, P.S. [2]. Customer behavior always changes overtime and business needs to understand such changes in order to maintain the market share and search for the new customers. It can be seen that customer behavioral factors have affected to customer decision on product buying. From the literature reviews, there are some relationship between consumer behavioral factors and buying decision to further explore in the conceptual model.

Marketing Mix Factors

The "marketing mix" is a foundation model for businesses, historically centered on product, price, place, and promotion (also known as the "4Ps"). The marketing mix has been defined as the "set of marketing tools that the firm uses to pursue its marketing objectives in the target market". Thus the marketing mix refers to four broad levels of marketing decision, namely: product, price, place, and promotion. Product refers to a physical product that customer is willing to pay. Price is the amount that the consumer exchanging to receive the offering. Place includes distribution channels and transportation in which products are moved from the seller to the consumer. Promotion is one of the most powerful elements in the marketing mix. Promotion are public relations, exhibition and demonstrations. Theories and concepts of marketing mix are very vital role in business as many research studies show that there are the relationship between marketing mix factors and decision making as stated by Kotler, P. and Keller, K.L. [3]. Consequently, this study aimed to investigate such relationship.

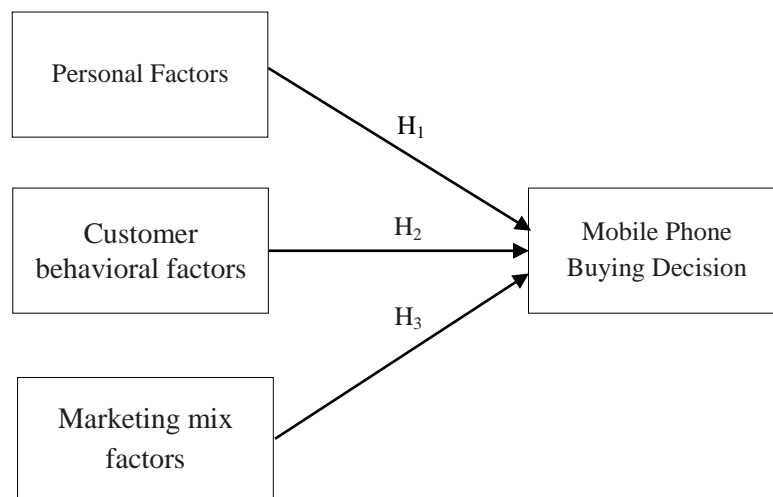
Mobile Phone Buying Decision

Hoy, W.K. and Miskel, C.G. [4] have defined the definition of buying decision as an important tool for business management by using the information to determine among alternatives and then, selection. Customer decision making in buying of products or using of services are the result of alternatives evaluating and product selecting. Researchers have attempted to analyze several aspects and factors affecting on buying decision. Some researchers revealed that factors influencing buying decision can be divided into 2 aspects which are customer behavioral factors and marketing mix factors. From the literature reviews cited above, it can be seen that there are some relationships among these three variables to further investigate and conceptualize in the conceptual model with hypotheses development.

CONCEPTUAL MODEL AND HYPOTHESES

From the reviews of the literature, the conceptual framework of this research study was presented in Figure 1. It describes customer behavioral factors and marketing mix factors affecting on mobile phone buying decision of customer in Thauthen District, NakhonPhanom Province, Thailand.

Figure 1
Research Conceptual Framework



The hypotheses suggested by the conceptual framework can be stated as follows:

H₁: Mobile phone buying decision of customer in Thauthen District, NakhonPhanom Province, Thailand has varied according to personal factors.

H₂: Customer behavioral factors had significantly positive influenced on mobile phone buying decision of customer in Thauthen District, NakhonPhanom Province, Thailand.

H₃: Marketing mix factors had significantly positive influenced on mobile phone buying decision of customer in Thauthen District, NakhonPhanom Province, Thailand.

The research hypotheses of the influencetesting can be described in the forms of structural equations in order to show the relationship among variables and predict the dependent variable for hypotheses testing. The symbols used to represent the variables stated as follows:

BEHV = Customer Behavioral Factors
 MAKM = Marketing Mix Factors
 MPBD = Mobile Phone Buying Decision

The structural equation can be explained as follows:

$$\text{MPBD} = \beta_1 \text{BEHV} \dots\dots\dots (1)$$

$$\text{MPBD} = \beta_2 \text{MAKM} \dots\dots\dots (2)$$

RESULT

This research study aimed to compare the difference of mobile phone buying decision based on personal factors and to investigate consumer behavioral factors and marketing mix factors phone buying decision of customer in Thauthen District, NakhonPhanom Province, Thailand. The research was a quantitative research with the samples of 400 customers in Thauthen District, NakhonPhanom Province determined by simple random sampling based on Taro Yamane formula [5]. Questionnaires were used as a tool for collected data through check list and 5-point Likert scale surveys. Content validity was applied to ensure the accuracy of a measurement tool. Cronbach’s alpha was conducted to test for reliability with Cranach’s alpha coefficient of consumer behavioral factors, marketing mix factors, and mobile phone buying decision were 0.914, 0.982, and 0.853, respectively as shown in Table 1. The Cronbach’s alpha value of the scale of all variables is greater than 0.700, so it shows that the scale has good reliability. Data were analyzed by descriptive statistics and inferential statistics including t-test, F-test (One-way ANOVA), the Pearson Product-Moment Correlation, and Multiple Regression Analysis. The research results can be significantly analyzed with 95% confidence interval.

Table 1
Cronbach’s Alpha Coefficient of Variables

Variables	Cronbach’s Alpha
Customer Behavioral Factor	0.914
Marketing Mix Factors	0.982
Mobile Phone Buying Decision	0.853

The research results were analyzed by using the statistical package for social science. The research findings and the hypotheses testing in this research study were described as follows.

For description of the respondents, the research finding revealed that the survey data of mobile phone buying decision of customer in Thauthen District, NakhonPhanom Province were made up of 57.00% female. The average ages of the customers were under 35 Years up to 40.25%. For the occupation, most of the customers were farmers up to 48.00%. The average monthly income was in between 10,001–15,000 Bath up to 37.25%. The mobile brand that customer selecting was Samsung up to 41.00% as stated in Table 2.

For descriptive statistics, the collected data were analyzed by using means and standard deviation. The means score of opinion on customer behavioral factors, marketing mix factors, and mobile phone buying decision were at the high levels with mean scores of 4.05, 4.31, and 4.84, respectively.

For inferential statistics, the Pearson Product-Moment Correlation was used to determine the relationship of marketing mix factor and mobile phone buying decision. The objective was to find the levels of correlation among the variables and to test for multi-collinearity. As Hair et al. [6] described the relationship between the variables that must be less than 0.800 otherwise it may cause Multi-collinearity. The correlation analysis between the independent variables was shown in Table 3. This research shown that the relationship between the independent variables with the highest value of 0.481, which was not exceed 0.800, accordingly multi-collinearity problem was not found. Multiple Regression Analysis can be used to predict mobile phone buying decision of customer in Thauthen District, NakhonPhanom Province.

Table 2
Description of the Respondents

n = 400

Demographic Information		Numbers of Respondents (NR)	Percentage of NR to Number of TR*
Gender	Male	172	43.00%
	Female	228	57.00%
Age	Under 35 Years	161	40.25%
	36 - 40 Years	92	23.00%
	41 - 45 Years	47	11.75%
	46-50 Years	31	7.75%
	Above 50 Years	69	17.25%
Occupation	Student	46	11.50%
	Government Officer	37	9.25%
	Employee	22	5.50%
	State-owned Company	16	4.00%
	Trader	78	19.50%
	Unemployed	9	2.25%
	Farmer	192	48.00%
Monthly Income	Under 5,000 Bath	55	13.75%
	5,000–10,000 Bath	64	16.00%
	10,001–15,000 Bath	149	37.25%
	15,001–20,000 Bath	83	20.75%
	20,001–30,000 Bath	36	9.00%
	Above 30,000 Bath	13	3.25%
Brand	Apple	52	13.25%
	Samsung	164	41.00%
	Huawei	43	10.75%
	Oppo	112	28.00%
	Nokia	24	6.00%
	Others	4	1.00%
Total		400	100.00%

* TR denotes total respondents.

Table 3
Descriptive Statistics and Correlation Analysis

	MEAN	S.D.	BEHV	MARM	MPBD
BEHV	4.05	0.638	1		
MARM	4.31	0.535	0.481**	1	
MPBD	4.84	0.629	0.740**	0.634**	1

**. Correlation is significant at the 0.01 level

Table 4
The Results from Hypotheses Testing on Difference Comparison

Factors		F	Sig
Personal Factors	Gender	0.019	0.927
	Age	3.942	0.004**
	Occupation	5.434	0.000**
	Monthly Income	6.547	0.000**
	Brand	4.315	0.000**

**. Correlation is significant at the 0.01 level

The research results from hypotheses testing on customer behavioral factors and marketing mix factors affecting on mobile phone buying decision of customer in Thauthen District, NakhonPhanom Province were presented in Table 4. The hypotheses testing shown that mobile phone buying decision in Thauthen District, NakhonPhanom Province has varied according to different personal factors. In addition, the hypotheses testing on the influence found that customer behavioral factors and marketing mix factors can predict mobile phone buying decision of customer in Thauthen District, NakhonPhanom Province up to 42.30% (Adjusted R-Square 0.423) at 0.05 significant levels.

The research results from hypotheses testing on customer behavioral factors and marketing mix factors affecting on mobile phone buying decision of customer in Thauthen District, NakhonPhanom Province by Multiple Regression Analysis were presented in Table 5.

Table 5
Multiple Regression Analysis Results

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	Beta	Std. Error	Beta		
H₂: BEHV→MPBD	0.636	0.041	0.331	14.378	0.000***
H₃:MAKM→ MPBD	0.702	0.054	0.447	8.326	0.000***
Adjusted R² = 42.30%		S.E.E = 0.481		F = 72.295	

***. Predictor is significant at the 0.000 level

The research results from that tested for customer behavioral factors, marketing mix factors, and mobile phone buying decision was summarized in the forms of structural equations, which can be explained as follows:

$$\begin{aligned} \text{MPBD} &= 0.331 \text{ BEHV} \dots\dots\dots (3) \\ &\quad (14.378) \\ \text{MPBD} &= 0.447 \text{ MAKM} \dots\dots\dots (4) \\ &\quad (8.326) \end{aligned}$$

The hypotheses testing found that customer behavioral factors had statistically significant direct influenced on mobile phone buying decision with standardized coefficients (β) of 0.331. Marketing mix factors had statistically significant direct influenced on mobile phone buying decision with standardized coefficients (β) of 0.447. To conclude, mobile phone business should concentrate on customer behavioral factors and marketing mix factors for planning of sale increase in order to raise mobile phone customer buying decision and to enhance the competitiveness of mobile phone business in the long run.

CONCLUSIONS

This research results revealed that mobile phone buying decision in Thauthen District, NakhonPhanom Province had varied according to different personal factors. Customer behavioral factors and marketing mix factors had statistically significant positive influenced on mobile phone buying decision in Thauthen District, NakhonPhanom Province, consequently the following suggestions from the research results can be applied for business owners as follows. Mobile phone business should provide quality product, appropriate price, easy access purchase channel, and attractive promotions in order to enhance mobile phone buying decision. Business should concentrate on these vital factors in order to continually raise mobile phone buying decision of customer. However, there are some other factors that can influence mobile phone buying decision such as service quality and customer satisfaction, in which requires further research.

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