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# MARKETING MIX FACTORS INFLUENCING CONSUMERS DECISION TO BUY STREET FOOD IN BANGKOK

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## ABSTRACT

The purpose of this research was to study service marketing mix factors affecting consumers' decision-making behavior for street food service in Bangkok. The sample used in this study was 400 street food consumers in Bangkok with using multi-stage random sampling method. The questionnaire with the validity and reliability tested was used to collect data. The statistics used were frequency, percentage, mean and standard deviation as well as the hypothesis testing was performed using multiple regression analysis. The research results showed that the service marketing mix factors affecting the decision-making behavior for using the street food service of consumers in Bangkok as a whole were at a high level. In addition, the results of the hypothesis test showed that the factors of service marketing mix in all 7 aspects, namely product, price, place, process, person, and physical evidences had a positive influence on consumers' decision-making behavior for using street food in Bangkok with statistical significance at the 0.05 level.

**Keywords**— Decisions to buy, Service marketing mix, Street Food

## INTRODUCTION

The food industry is one of the most important industries of Thailand because the food industry is the industry related to agriculture. It is considered an important foundation of the country, so food counts as the main factor in people's lives. It is the industry with the highest investment value and added value as well as having the highest R&D investment. In the Thai manufacturing sector, it was labor intensive industry from raw material producers to service providers in related businesses. The total economic value is more than 5 trillion baht each year. It has an additional value of more than 20 percent of the gross domestic product (GDP) of the industrial sector and is likely to grow continuously. With the continuous implementation of the policy and strategy to become the kitchen of the world, this is a great opportunity for entrepreneurs in Thailand to combine both food quality and quality service including technology to maintain the quality level to be accepted in the world market. Throughout the past 10 years, the Thai food and beverage industry has continued to grow at an average of at least 1% per year until becoming the 11<sup>th</sup> largest food exporter in the world, with an export value of 1.025 trillion baht and ranked second in Asia (Economics Tourism and Sports Division, 2020).

Bangkok is a city that is an important economic center of Thailand. Bangkok's current social situation is becoming more and more prosperous. It caused a change in the way of life

of the people in carrying out various activities in their daily lives in a hurry. As a result, people's food consumption behavior changes according to economic and social trends. Food is regarded as the fourth factor that is very important in a person's life and it is a matter that plays a role in maintaining a daily life for many people. Each person has a different way of living and eating food, especially the way of consuming food which has changed from cooking food to eating among themselves and change to buy ready-to-eat food from outside the house (Potasin et al., 2019).

Tourism competition tends to become increasingly intense. Therefore, competitive marketing strategy is something that must be done continuously and must be modified to be modern by presenting a selling point that is different from competitors and always new. As can be seen from the Tourism Authority of Thailand's corporate plan 2017-2021 strategies have been established to adjust the image of the Thai tourism brand to become "Perfect Destination" sustainably in order to transform the image of Thailand into a "Quality Leisure Destination" by fulfilling the viewpoint and experience of tourism to create value for experience and become a perfect destination in the future (Ministry of Tourism of Thailand, 2018). The most famous and accepted is Thai food, which has been of interest to foreigners for a long time. The trend of tourism to learn about food (Gastronomy Tourism) is gaining international interest because it is a tourism model. It has the potential to benefit from tourism for communities and stakeholders throughout the food chain, food production from raw materials and cooking process. It also presented the story of the route about local food culture that is tied to the way of life that has been developed since ancient times taking in account simplicity, use natural fresh ingredients and food quality (Phakprot, 2019).

In general, consumer have attitudes and perceptions towards street food which are available for sale on footpaths, including carts, hawkers, and stalls. Consumers perceptions are positive for their uniqueness, food culture, variety of food and different from local, variety of flavors, inexpensive, easy to find, use ingredients that are readily available locally and hassle-free cooking preparation. But there is a negative perception in terms of disorder stubborn attitudes in street food about food safety quality of food, unhygienic cooking, and improper surroundings. There are things that will contaminate food from the production process, storage, and food quality. All have resulted in a distrustful attitude from consumer to consume street food (Suphaphon & Agmapisarn, 2019). Although the view of many consumers is that street food may not be clean or poor quality. But the above information shows that many consumers still choose to consume street food.

Therefore, in order to comply with the policy to develop food and create a street food image that meets the needs of consumers. The researcher therefore focuses on studying marketing mix factors influencing consumers' decision to buy street food in Bangkok, which involves many factors such as consumer demographics, consumption behavior, and marketing mix factors, etc., with a survey of consumers' opinions on the reasons for choosing to consume street food and decisions about street food consumption. The results were used as a guideline for promoting and developing roadside restaurants. The information obtained from this research will be used as a guideline for promoting and developing roadside restaurants. Including, it will be useful to relevant regulatory agencies and give advice to street food to

improve, develop and promote street food to make consumers satisfied and consume food from street food which will have a positive effect on the tourism industry in the future.

## LITERATURE REVIEWS

To create satisfaction for consumers, it is necessary to take in account the behavior and needs of consumers. A group of marketing tools that an organization uses to fulfill its target market objectives and is a controllable marketing variable which the company uses together to meet the satisfaction of target groups or as a common tool to achieve the communication objectives of the organization. Service marketing mix refers to the key elements in marketing operations that are factors that the company can control. It is necessary to have an appropriate service marketing mix for use in marketing strategy, consisting of 7 factors, namely Product, Price, Place, Promotion, People, Process, and Physical Evidence, which are known as 7Ps (Kotler & Keller, 2016).

*Product* means something that the company offers to sell to cause interest by consumption or use of the service which can make customers satisfied. The customer will receive the utility and the value of the product. Formulating product strategies need relevant factors such as product differentiation mean products or services that are different from other service providers in the market in order to create outstanding competitiveness.

*Price* refers to the value of a product, service or fee for receiving a service, which the consumer is willing to exchange for that service. Consumers tend to consider the price they pay along with the value they receive. If the value is higher than the price, the consumer will decide to purchase. Therefore, pricing must be including cost of services, value perceived by users, and pricing to be competitive and superior to competitors.

*Place* means distribution channel where service providers deliver goods or services to consumers both directly and indirectly. Whether the distributor will be effective or not must be reflected through the convenience and satisfaction that consumers receive. Therefore, service providers must take the determination of distribution channels which can be comfortable and suitable for the lifestyle of the target group.

*Promotion* means marketing communication tool between seller and buyer. Its purpose is to inform and induce attitudes, needs and attract behaviors in using that service. Communication mix consists of communication by using personal selling and communication without a non-personal selling, which requires the principle of Integrated Marketing Communication (IMC).

*People* means people who participate in the process of providing services, including employees of the Company. customers who come to use the service and other customers who come to use the service as well. People are an important element in both service production and service delivery. Therefore, the acquisition of quality personnel requires a process of selection, training, development of employees to have knowledge, skills, and willingness to serve to create satisfaction for users effectively.

*Process* refers to the process to deliver quality services to consumers with speed, accuracy and impress customers. A process involves a system or method, machine or tool, and a person.

If a business can manage both systems, tools and people effectively, it will be able to create satisfaction for customers.

*Physical Evidence* refers to what the customer can be touched by choosing goods and services. It creates a difference and quality such as clean, tidy, gentle negotiations and prompt service which is necessary in service. It may also refer to a symbol that customers understand the meaning of receiving information from marketing communications to the public.

From the literature review, concepts, theories and related research, it can be concluded that service marketing mix factors consisting of product, price, place, promotion, process, person, and physical evidences have influenced consumers decision to buy street food in Bangkok.

## METHODS

The target population is consumers of street food and living in Bangkok. Determine the sample size using the sample calculation formula with the exact population is unknown of Yamane (1973). The sample size was 385 people. The sampling method used Cluster Random Sampling method from 5 famous street food areas of Bangkok, namely Silom Road, Yaowarat Road, Khao San Road, Taling Chan Floating Market and Sukhumvit Road. The research tool was a questionnaire divided into 4 sections: Part 1 general information, Part 2 Consumer behavior and lifestyle, and Part 3, Opinion about service marketing mix factor. The generated questionnaire was examined for content validity from 3 experts. The pilot test was conducted with 30 non-sample populations in Bangkok and tested for confidence in the questionnaire by finding the coefficient of alpha of Cronbach (Cronbach, 1990), with the confidence value is 0.81, then the questionnaire was used to collect the actual data (Hair et al., 2010). The statistics used in the data analysis are descriptive statistics such as frequency, percentage, mean and standard deviation, and inferential statistics was used to test research hypotheses by using Independent Sample t-Test, One-Way ANOVA, and Multiple Regression Analysis.

## RESULTS

### *Descriptive results*

General data of the sample of 385 people found that most of them were female, aged between 30-39 years old, marital status, level of education in bachelor's degree, occupation as an employee in private business and have an average monthly income between 20,001-30,000 baht, with the number of household members between 1-3 people. The results of the study of lifestyle patterns and street food consumption behaviors was found that most of them cooked their own food for some meals and bought some meals from outside, and most of them bought to eat with family. The behavior of food consumption is the type of side dish the most, followed by the type of beverage, and fruit foods and bought for consumption at dinner. The consumption pattern was buying food along the road and bringing it to eat at home, followed by the pattern that buying food on the road and eating it at work, and the patterns of buying street food and eating at restaurants, respectively.

Most consumers agree with the service marketing mix of street food in Bangkok. It was found that consumers agree with the overall service marketing mix at high level. When

considering each aspect, it was found that consumers agree with the product, price, distribution channel, marketing promotion, personnel, process and physical evidences was at a high level in all aspects. In addition, when considering the sub-sections of the factors can be summarized as follows. Product and service factors, it was found that the taste was delicious, a variety of food and/or drink items to choose, the amount of food per dish was appropriate, restaurant was a famous and well-known. Price factor, the price of food and beverage was most suitable for the quality received, and the price of food and beverage is appropriate to the quantity received. Distribution channel factors, it was found that the location being convenient to travel had the highest average value, followed by convenient and sufficient parking, and restaurants are close to the location of work/school/residence. Marketing promotion factors, it was found that the shop having appropriate and beautiful decoration, a reduction in food prices, the introduction of new food/drink items on a regular basis, and there is an advertisement/publication of the store's information through media such as the Internet, leaflets. Process factor, it was found that all sub-factors were at a high level. Receiving accurate and fast payments has the highest average value, followed by waiting time after ordering food items and receiving food and beverage items quickly, and the speed of reception and seating was the lowest on average. Person factor, it was found that employees having good human relations, being polite, smiling, friendly and providing services to you accurately and quickly, employees providing services to all customers equally and finally, and employees introducing of food and beverage items. Physical factors, it was found that restaurants with good atmosphere was at the highest level, followed by cleanliness of night restaurants, the number of seats for eating was sufficient, and the area of the restaurant is appropriate size, respectively.

#### ***Hypothesis testing results***

The results of hypothesis testing, Independent T-Test was used to test the difference between the mean of 2 samples and One-Way Analysis of Variance (One-Way ANOVA) was used to test the difference between the mean more than 2 sample groups. When using the fundamental data of customers who use the service to compare the difference between the general characteristics with the decision to use the service of street restaurants, it found that different genders and educational levels affected the decision to use the restaurant services were not statistically different at the significance level 0.05., and different occupation and incomes, there was a statistically significant difference in the behaviors of selecting street food restaurants at the significance level 0.05.

In addition, the results of the hypothesis test showed that the factors of service marketing mix in all 7 aspects, namely product, price, place, process, person, and physical evidences had a positive influence on consumers' decision-making behavior for using street food in Bangkok with statistical significance at the 0.05 level, with predictive power or variable can explain the variance of purchasing decisions of electric vehicles 51.26%. The marketing mix factors on the product aspect had a great effect on the decision to buy electric cars of consumers the most which has a regression coefficient equal to 0.389 (Sig.=0.00), followed by price aspect has a regression coefficient equal to 0.295 (Sig.=0.000), place aspect has a regression coefficient equal to 0.267 (Sig.=0.000), marketing promotion aspect has a regression coefficient equal to 0.245 (Sig.=0.000), person aspect has a regression coefficient equal to 0.198 (Sig.=0.021),

process aspect has a regression coefficient equal to 0.187 (Sig.=0.023), and physical evidences aspect has a regression coefficient equal to 0.168 (Sig.=0.041).

## CONCLUSION AND FUTURE WORK

### *Conclusion and discussion*

From the study of marketing mix factors that affect Thai consumers' decision to buy street food, it was found that the level of satisfaction of the marketing mix of Thai consumers who traveled to eat street food in Bangkok were at a high level and decision to buy street food was at a high level. This is in line with Thanompongchai (2016) and Jerddeesakul (2016) found that service marketing mix factors that affect the service usage as a whole were found that at a high level. As well as the study of Tharnupat & Pooripakdee (2021), the study result indicated that the “Z” generation customers had opinion towards street food identity, purchasing intention, satisfaction, and advocacy in high level. When consider in marketing mix factors in descending order were as follows. Product aspects include beautiful and attractive food decorations. In terms of price, the price is suitable for the quality of the raw materials. In terms of distribution channels, it is convenient to travel to eat street foods such as subways, buses, etc. In terms of marketing promotions include advertising through websites or social media. In terms of personnel include the number of employees is sufficient for the number of customers service. In terms of process include the preparation of street food that is accurate according to the orders from consumers. In terms of physical characteristics, such as having an attractive atmosphere such as having a beautiful decoration, etc.

The results of the study to compare demographic factors affecting the decision to buy street food showed that different genders and educational levels affected the decision to use the restaurant services were not statistically different at the significance level 0.05. But different occupation and incomes was a statistically significant difference in the behaviors of selecting street food at the significance level 0.05. From the study of Yoophothong (2014), found that in the comparison of International tourist's satisfaction towards Thai street food in the Bangkok Metropolis, there was no significant difference, at 0.05, between sexes. However, there was a significant difference, at 0.05, between income and primary residence location. This is in line with the concept of Sereerat et al. (2009) who stated that a person's career leads to the necessity and demand for different products and services. Including income variables that classify members in a society as they are, it is a variable that affects the purchasing behavior of consumers, which will affect a purchasing decision based on the power or purchasing ability of a person.

In addition, the results of the hypothesis test showed that the factors of service marketing mix in all 7 aspects, namely product, price, place, process, person, and physical evidences had a positive influence on consumers' decision-making behavior for using street food in Bangkok with statistical significance at the 0.05 level. This is consistent with the idea of Sereerat et al. (2009) who explained that the service business will use service marketing mix factors to create customer satisfaction which generate consumer behavior or related processes when an individual chooses to purchase, use a service, idea or experience in order to satisfy their needs and desires (Solomon, 2012). Moreover, the result was consistent with the study of Runla

(2019), found that marketing mix factors such as product, price, sale channel, market promotion, personnel, service process, physical characteristics, and packaging are influenced factors that affect the decision of consumers to buy roadside store food. Including the research of Thanompongchai (2016) revealed that all service marketing mix; positively relating and influence generation Y consumer behavior on Selecting Night Casual Dining in Hat-Yai Municipality. When considering each sub-factor of process, it was found that all sub-factors were at a high level such as accepting payments accurately and quickly has the most average, followed by the waiting time after ordering food items, quickly receiving food and beverage orders. The service process is the process of delivering the quality of service to customers quickly and creating satisfaction for customers. Due to information, news, Internet and various technologies, this makes people like to do things quickly, agile and impatient. The consumers with financial knowledge make consumers pay attention to receiving payments accurately and quickly (Phakprot, 2019). When considering the physical factor, it was found that the cleanliness of the night restaurant was at the highest level, followed by the restaurant with a good atmosphere, the number of seats for sitting enough and the right size. This is because the physical factor is the creation and presentation of overall physical characteristics to customers in the form of providing services to create value for customers. In addition, present consumers are materialistic to choose only quality products and services that meet the needs (Suphaphon & Agmapisarn, 2019). When considering the price factor, it was found that the price of food and beverage is most suitable for the quality received. This is in line with the concepts of consumer behavior that consumers will make a comparison between the value of the product or service and the price until they find the best option and make decision by taking the information into consideration, comparing or examining to find the option that best meets the needs (Kotler & Armstrong, 2016).

#### ***Recommendations and future work***

From the results of the study, it was found that all aspects of the service marketing mix factors influence consumers' decision to buy street food in Bangkok. Therefore, there are suggestions for each aspect as follows. Product and service factors, entrepreneurs should stand out in their menus in terms of taste and variety and recommend restaurants on social media to promote the restaurant to meet the target group. Price factor, entrepreneurs should set food prices appropriately and it is worthwhile when compared to the quality of food that customers receive. Place factors, entrepreneurs should provide sufficient parking spaces for users, convenient to travel and also consider the potential and business opportunities of that area. Promotion Factors, entrepreneurs should have a restaurant interior design that is consistent with the style or concept of the restaurant so that customers who come to use the service have a good experience and feel involved with atmosphere inside the shop and provide sales promotions that can attract customers to use the service. Process factor, entrepreneurs should have an efficient service process by emphasizing on speed and accuracy in receiving payments. Person factor, entrepreneurs must create a good service attitude for employees in the store to realize that they have a service mind that can create an impression on customers when they come to use the service. Physical factor, entrepreneurs should pay attention to basic hygiene and the shop should be decorated to create a good atmosphere.

In future research, researchers should study other relevant issues that affect customer intent, satisfaction and word of mouth. Including there should be a comparative study between customers in different generations. So that entrepreneurs can respond accordingly to consumer groups and see differences in the quality of street food. Moreover, the further studies should be conducted with qualitative research to gain more insights information.

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