



CHAPTER 5

CASE STUDY

After the interview with Tohome's Managing Director and after examining the questionnaire, in this section we will discuss about Tohome. Firstly, the reason for selecting Tohome as a case study will be discussed, and the background of the company will be presented. Then, we will focus on Tohome's Marketing Mix. This would enable you to understand Tohome in a marketing aspect. After that, we will examine Tohome's customers' perception towards what Tohome has already done. Finally, we will conclude Tohome's strategies into a more general idea, which will be discussed with Kotler's Steps in Building a Strong Brand in the next chapter.

5.1 REASONS FOR SELECTING TOHOME AS A CASE STUDY

- It is an online-retailer.
- The products sold by Tohome avoid the three problems.
- The products sold by Tohome are books, music, films, electronic devices and IT products.
- Most of Tohome's customers are from Bangkok and the suburb areas.
- Tohome's customers are in the age range between 20-39 years old.
- Tohome's customers are from Science, IT, Technology and Commerce areas.
- It is ranked as one of the top twenty commercial sites by truehits.net, which is a famous source. The ranking is compiled by using the hit rate.

5.2 BACKGROUND OF THE COMPANY

Tohome was founded in 1999. The Managing Director established Tohome because he believes that the use of web commerce is effective. Websites are good

mediums since they can penetrate to many areas. Moreover, the use of websites allows the company to reduce management costs, rental costs, shop decoration costs, and investment costs. As a result, the company can sell its product with a lower price. Nowadays, Tohome can be considered as one of the most successful commercial websites in Thailand. Tohome's products are ranging from books, PDAs, music and IT equipment. Tohome presents itself as the place for shopping 24 hrs a day at the lowest price.

5.3 ANALYZE THE CASE STUDY

In order to understand the case study according to the marketing view, the discussion about the marketing mix will be introduced in this section. In this case the four-P framework will be used.

5.2.1 PRODUCT

According to Philips Kotler (1999: 97), the basis of any business is a product or an offering. A company aims to make the product, or offering, different and better in some way which will cause the target market to favor it and even pay a price premium. According to the case study, we will present the offering that Tohome provides. By this, the consideration will be started by briefly introducing Tohome's web page and discussing the way to buy a product on the page. Then the discussion about the method Tohome uses to select the items sold on its page will be explained. We will also discuss customer service, security, and warranty.

5.2.1.1 INTRODUCTION TO TOHOME'S WEBSITE

Firstly, the introduction of Tohome's website will be established. This would enable you to understand the way you could place the order at Tohome. In this case, the example will be given by supposing that the customer needs a new digital camera.

When you come to Tohome's main page, you would find some promotion item and some special deal. You would also find the product category that you can browse as shown in Figure 5.1.

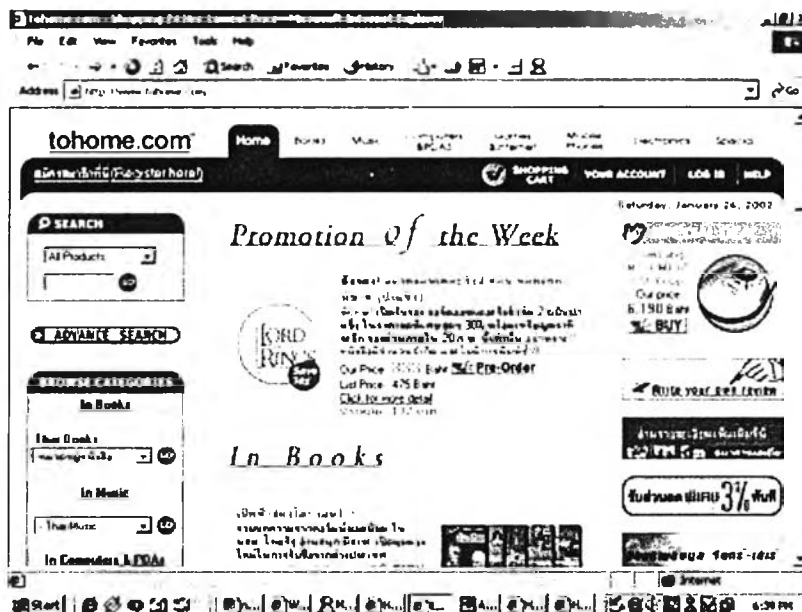


Figure 5.1: Tohome main page

When the customer visits Tohome, he can browse for the product he needs. In case that the customer cannot find the required products, he can first click "search" on the left-hand column, type the required items in the cell and click "go" to start searching. He can also limit the scope of his finding by selecting the product categories above the cell. Alternately, he can use "browse categories" shown below "search". He can just select sub-categories in the drop-down list and click "go" to see products within the selected group.

If the search results do not show what the client is looking for, that means the products may not be included in their database. The client can send a request to their staff by clicking on the "link" below "Your Request" (shown on the main page of each product category), then fill in the form (their name, last name, e-mail address, the product's name and its details). Tohome will check whether the requested item is available, then inform the result via e-mail. In this case, if the customer needs a new digital camera, he could browse the category as shown in Figure 5.2.

The screenshot shows a sidebar on the left with several category menus: "In Music" (with a "GO" button), "In Computers & PDAs" (with a "GO" button), "In Electronics" (with a "GO" button), and "In Special". The "In Computers & PDAs" menu is expanded, listing sub-categories like "Computers & PDA", "Notebook", "PDA's", "Printer", "Scanner", "Digital Camera", "CD Writer", and "Mobile Phones".

On the right, there is a promotional banner for a CD. The text reads: "เปิดที่เดียวโลก เดิม 1 ปี รวมบทความจากคอลัมน์ยอดนิยม ใน นสพ. ไทยรัฐ อ่านสนุก มีสาระ เปิดมุมมองใหม่ในการรับสื่อจากต่างประเทศ". Below this, it states "Our Price : 1,000 Baht" and "List Price : 1,250 Baht", with a "BUY" button and a link to "Click for more detail". An image of the CD cover is shown to the right.

Below the banner, the heading "In Music" is displayed in a stylized font. Underneath, there is a circular image of a CD cover for "Whatever Gets You Thru The Day" by Lighthouse Family. The text next to it says: "ศิลปิน : Lighthouse Family ผลงานอัลบั้มล่าสุดที่ 3 ของ Lighthouse Family ชุด Duo จากอังกฤษ ด้วยผลงานเพลงคู่ขวัญของ Paul กับ Tunde แร่หมอน". It lists "Our Price : 410 Baht" and "List Price : 500 Baht", with a "BUY" button and a link to "Click for more detail".

Figure 5.2: Browse product category at Tohome

After the customer clicks "GO", he will move on to the page in Figure 5.3

The screenshot shows a web browser window displaying the "Digital Camera" product page. The browser's address bar shows "http://www.tohome.com/Catalog.asp?Catalog_id=345". The page title is "Digital Camera".

On the left side, there is a "BROWSE CATEGORIES" section with a tree view showing "Notebook", "PDA", "Printer", and "Scanner". The "Notebook" category is expanded, listing sub-categories like "Acer", "Compaq", "Fujitsu", "IBM", "Lenovo", and "Aria".

On the right side, there is a list of digital camera brands: "Canon", "Fuj", "Nikon", "Sony", "Accessories", "Casio", "Kodak", "Samsung", and "Aptek".

Below the brand list, there are two product listings. The first is "1. Fuji FinePix 2000 Zoom" with a price of "Our Price : 18,238 Baht" and "List Price : 20,500 Baht". The second is "2. Fuji FinePix 50" with a price of "Our Price : 26,102 Baht" and "List Price : 29,500 Baht". Both listings include a "BUY" button and a link to "Click for more detail".

Figure 5.3: Digital camera page

This page allows the customer to browse the digital camera by its brand. The customer will also see the information and price for each model. When the customer visits Tohome, he can browse for the product he needs. In order to purchase the

product, he can simply click the "Buy" button next to the required item. Then, the item will be added into the shopping cart (the list of the selected item), which the client can edit or continue his shopping using other buttons within this page. Once completed, he or she can click "check out" to the next page for selection of delivery & payment before confirming the order. The customer has four alternatives of delivery methods. The client can pick up the product by himself at Tohome's pick up point or it could also be delivered by using a messenger, AUTHORITY OF THAILAND'S EXPRESS MAIL SERVICE (EMS) , or registered mail. The product can be paid by cash, a bank transfer, Internet Banking, a money order, a voucher, and a credit card. Figure 5.4 illustrates the shopping cart page.

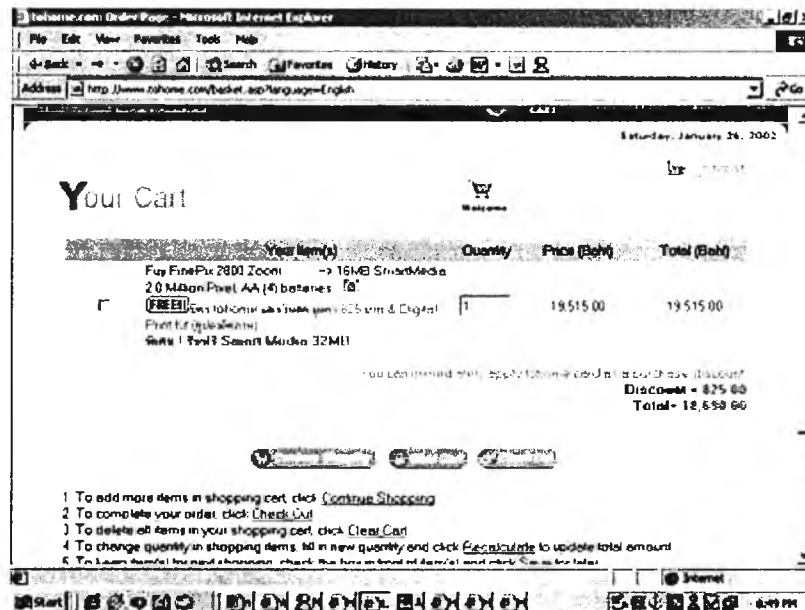


Figure 5.4: Cart page

When the customer checks out, the system requires his registered e-mail and password. If he has not yet registered, he can do registration here and continue the shopping process after finishing registration, which is shown in Figure 5.5. Then a reference order number will appear on the screen and an E-mail will be sent from their server, which confirms that the order is kept in their system.

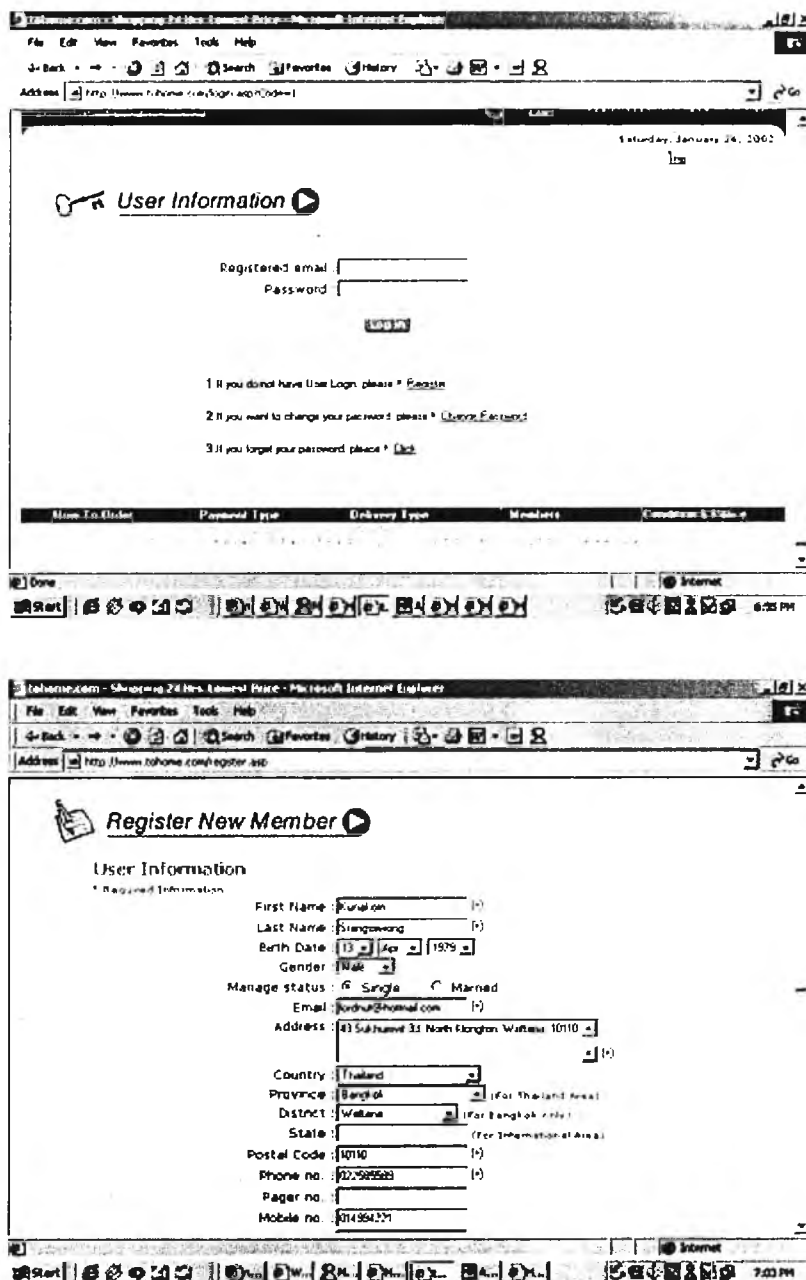


Figure 5.5: User login and registration page

5.2.1.2 ITEM SELECTION

According to Tohome's Managing Director, the website selects the items to be sold based on two factors. The products should be modern or in fashion. Websites are based on technology so the company tries to find products that are in the same trend.

Another factor is that the products should be well-known items, or market leaders, and should satisfy the customer's needs.

5.2.1.3 CUSTOMER SERVICE

Tohome.com has a team, "Customer Service", to answer any of the customers' questions regarding the products and services. There are two channels by which customers can reach the "Customer Service" team.

1. Telephone 0-2382-4000

"Customer Service" will be available during 9.00 - 18.00 (Mon - Sat)

2 . E-mail : services@tohome.com

The mailbox will be opened 24 Hrs. a day; however, the messages will be answered during office hours.

5.2.1.4 CONDITIONS AND SECURITY REGARDING ONLINE CREDIT CARD PAYMENTS

Information given during the ordering process at www.tohome.com will be encrypted with SSL (Security Socket Layer) while transmitting to the server. SSL is one system that meets international standards and is widely used for security purposes among various websites.

In addition, the credit card information will be provided on the website of VISA & Master represented banks. None of this information will be kept on Tohome's server.

However, please note that Tohome may request for additional information regarding credit cards for further verification. In addition, Tohome may cancel the order without providing the reason for such cancellation. In such circumstance, the card will not be credited.

In order to protect fraud, Tohome may limit delivery methods available for credit card payments and/or may require the customer to be the receiver of his order. Hence, prior appointments will be made from Tohome's officers.

Accessing to members' profile is limited to a specific group of tohome.com's staff. This information will be kept confidential and will not be revealed without the consent of Tohome's members.

5.2.1.5 PRODUCT WARRANTY

Most products in www.tohome.com have warranty issued by the manufacturer, which can be noticed in product details [written as "Warranty : ... year by (manufacturer's name)"]. However, the terms and conditions of warranty can be different among manufacturers and products.

When the purchased item is defected, Tohome is willing to replace it with the new one if the date of purchase does not exceed 7 days and the deflection is caused by the manufacturing process, whose criteria is defined by each manufacturer. To claim and make the replacement for new item, customers must come to Tohome's office with the defected item, the receipt, and the warranty coupon.

In some product categories, the customers can contact Tohome or the manufacturer's service center directly as follow:

Mobile phones : contact the mobile service center

Talking Dict. Brand : contact Talking Dict's counter in various department stores

Sony Brand : contact the Sony Service Center

Palm Brand : contact the service center in Singapore, using the toll-free no.

001-800-656298

Then, DHL's reference number will be given for free shipping.

5.2.2 PRICE

Tohome is well known for its cheap price. According to Tohome's Managing Director, the use of websites could reduce the operation costs. This enables Tohome to sell its product at a lower price. It means that Tohome uses the "Same for Less" pricing strategy. Besides the low price, Tohome also offers a variety of payment methods as shown below.

5.2.2.1 CASH

This method is exclusive for the messenger service within the Bangkok area and self-collection at Tohome's pick-up point. The customer can pay cash to Tohome's delivery messenger who will provide him or her the evidence of a receipt in return. With a shopping value of BHT 1,000 or above and self-collection as the delivery option, the customer will receive a 3% discount when he chooses cash as his payment method.

5.2.2.2 BANK TRANSFER

Payment by a bank transfer must be made to "Asian Star Trading Co., Ltd" (Tohome) via one of the following accounts:

Table 5.1: Tohome's bank accounts

Bank	Branch	Account Type	Account No.
Siam Commercial Bank	Ekamai	Current	078-3-01288-9
Bangkok Bank	Ekamai	Savings	063-0-01255-7
Thai Farmers Bank	Ekamai	Savings	059-2-82726-3
Bank of Asia	Thonglo	Current	101-1-01132-5
Krung Thai Bank	Ekamai	Savings	053-1-23841-5
Bank of Ayuttaya	Sukhumvit 63	Savings	361-1-07610-2

In addition, with the shopping value of BHT 1,000 or above, the customer will receive a 3% discount when he chooses a bank transfer as his payment option (no matter which delivery method he chooses).

If the customer chooses the ATM as his payment channel, it is recommended that his ATM card, payment account, and ATM belong to the same bank. Otherwise, the bank may charge an extra fee for transferring across the banks.

Once the customer completes the payment, he should send an e-mail to services@tohome.com with the subject "transfer made for order no. xxxx" indicating the bank name, the payment date and the amount. This enables Tohome to check the transfer and process further the customer's order.

If the transfer is made via ATM the client may opt to fax Tohome the slip, indicating his or her name, phone number and order number at 0-2391-5445.

5.2.2.3 INTERNET BANKING

The customer can remit his payment by Internet banking everyday via SCBEasy (Siam Commercial Bank), TFB e-Internet Banking (Thai Farmers Bank) and Asia Cyber-Banking (Bank of Asia) with the conditions shown in table 5.2.

Once the customer completes the payment, he should e-mail to services@tohome.com with the subject "transfer done for order no. xxxx" and indicating the bank name, payment date and payment amount in the e-mail. Therefore, Tohome can check the transfer and further process the order.

Table 5.2: Condition of using Internet Banking at Tohome

Services Type	Service Period	website	Condition for users
SCBEasy (Siam Commercial Bank)	24 Hrs	www.scbeasy.com	- Owning an SCB saving or current account - Being a SCBEasy member
TFB e-Internet Banking (Thai Farmer Bank)	06.00 Am-22.00 Pm.	www.gotoTFB.com /tfbebank	- Owning an TFB saving or current account - Being a TFB e-Internet Banking member Note : TFB will send a code as your payment certificate once the payment process is completed
Asia Cyber- Banking (Bank of Asia)	24 Hrs	www.bankasia4u.com	- Owning an BOA saving or current account - Being an Asia Cyber-Banking member

5.2.2.4 CREDIT CARD

Currently Tohome accepts VISA, MASTER and American Express (AMEX). The order will be processed once the company receives the approval from related credit representative. When further verification process is needed, Tohome may require additional information regarding the customer's credit card. Please note that Tohome have the right to cancel the order without providing the reason for such cancellation. However, the card will not be credited for such case.

In order to protect fraud, Tohome may limit delivery methods available for credit card payment and/or may require the customer to be the receiver of his order. Hence, prior appointment will be made from customer service staff.

VISA and MASTER 

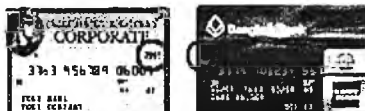
Customers are safely shopping at tohome.com by using their VISA and MASTER card from any issuing banks. After they choose their payment option, the system will be linked to Bank of Asia web page where the customer's credit card information must be filled and processed. Once the transaction is approved, the system will switch back to Tohome's final page with reference "order number". If this page is not shown, it implies that the bank payment gateway is temporary out of order. The customer should contact customer service at "services@tohome.com" to change the payment method or re-order later. Credit card information will be encrypted and transferred under secured environment.

The representative bank will be the only place that keeps the credit card data under its secured server.

American Express (AMEX) 

For the customer utmost information security, Tohome system is designed to accept the information regarding the cardholder's name, expire date (M/Y), and only the first-11 digits of the card. Once the customer fully submit the order, he have to provide; (1) the rest of your AMEX card number (the last 4 digits), (2) the 4-digit number of your

card (see below picture), and (3) the order number to our customer service team by phone 0-2382-4000 (Mon-Sat 9.00A.M. - 6.00P.M.), fax 0-2391-5445, or email: services@tohome.com.



The credit card statement will record that the transaction is credited by "Asian Star Trading Co., Ltd." when you shop at tohome.com

5.5.2.5 MONEY ORDER

Tohome does accept money order as a payment method. Once the customer have fully submitted your order, please send money order paid to P.O. Petchburi 10311 and notified with your order number to the address below

Asian Star Trading Co., Ltd.
582/12 Soi Sukhumvit 63. Ekamai Rd.,
North Klongton, Wattana, Bangkok, 10110

Tohome will process your order once we receive your money order.

5.2.2.6 TOHOME DISCUOUNT/ GIFT VOUCHAR AND TOHOME CARD

When the customer chooses this payment option, the voucher/card number and password are required. Where the voucher/card value is less than customer's purchasing, other payment method must be selected along with this payment option. Please note that only one voucher/ card can be applied for each order

5.2.2.7 LEASING

Moreover, Tohome also provide leasing services. The customer who wants to use the leasing service can contact customer service. In order to use the service, the customer has to fill out the leasing form. He can visit the company and fillout the form accompanys by the necessary documents, or he can provide the address for the

company to send the documents to. When the company has approved the leasing service, the company will send the notice to the customer for the delivered date.

5.2.3 PLACE (DISTRIBUTION CHANNEL)

According to Kotler (1999: 103), every seller must decide how to make its goods available to the target market. In the case of Tohome, it delivers the order to any address in Thailand and overseas. International delivery is available only for books and music orders. However, the scope of this research is concerned with local service only. The overseas service will not be mentioned in this case. The domestic delivery services methods that Tohome provides are presented below.

5.2.3.1 SELF COLLECTION AT TOHOME PICK-UP POINT

This method is available for every products. Once Tohome receive the order, the customer service will contact the customer to pick up the order (either by phone or e-mail). The service time will be on Monday - Saturday, 9.00 A.M.- 6.00 P.M. The customers can use any payment method if they pick up the product themselves.

5.2.3.2 MESSENGER/COURIER

This method is also available for every products. This method could also deliver to all over 76 provinces in Thailand. Delivery Period is 1 working day for Bangkok area and 1-2 working days for other provinces. The delivery rate for Central Bangkok is BHT 80 and Greater Bangkok is BHT150 for one time delivery service and the rates depend on delivery area. For the other provinces, the company will charge BHT 300 for one time delivery service (only available if gross weight of your selection below 5 Kg.) When the weight of your selection is above 5 Kg., this delivery type will not appear. If the customer would like to make an order, he has to contact Tohome for further information.

5.2.3.3 AUTHORITY OF THAILAND'S EXPRESS MAIL SERVICE (EMS)

This method is only available for books, music, accessories (computers & PDAs and mobile), software, and Internet kit. If the customer orders items which Tohome does not deliver by EMS, this method will not be shown in delivery options once the customer are in delivery page. For example, if the customer order a book and a mobile phone together in an order, there will be no EMS method available when you reach the delivery process. There will be a messenger and a self-collection at Tohome pick-up point as your delivery options.

The shipping time will be in 1-2 working days. The delivery rates depend on the weight of the selections. Customer can view the rate when he reach delivery process (He can change the order and delivery method or can cancel the order before submit the order confirmation.). The customer can use every methods excepts cash on delivery.

5.2.3.4 REGISTERED MAIL

This method is only available for books, music, accessories (computers & PDAs and mobile), software, and Internet kit. If the customer order items which Tohome does not deliver by registered mail, this method will not be shown in delivery options once the customer are in delivery page. For example, if the customer order a book and a mobile phone together in an order, there will be no registered mail available when the customer reach the delivery process. There will be messenger and self-collection at Tohome pick-up point as delivery options. The shipping time will be 3-5 working days. The delivery rate depends on the weight of your selections. Customer can view the rate when he reach delivery process (He can change the order and delivery method or can cancel the order before submit the order confirmation.) The customer can use all payment methods except cash on delivery.

By every method, Delivery Period = Item availability (1-3 working days: in case that the item is out of our stock) + Shipping time (depend on the selected delivery method). The delivery process starts after we have received your payment. Tohome's customer service staff will inform the customer if the item is out of stock.

The customer can track delivery status of his order at Your Account located at the top right of tohome.com page.

The delivery service agreement of Tohome are that:

- Tohome.com will ship the order when we receive the payment and when the item is available at our stock.
- Delivery charge includes processing fee and shipping charge.
- Delivery charge for international shipping excludes custom fees and import duties of the country to which the order is shipped.

5.2.4 PROMOTION

According to Kotler (1999: 106), promotion covers all the communication tools that can deliver a message to a target audience. According to Tohome's Managing Director, Tohome's message aims at the fact that their delivery service is available for clients everywhere in Thailand. Tohome also provides a variety of products with a price that is tempting. In this case, Tohome has used these promotion tools below.

5.2.4.1 ADVERTISING

In order to build an awareness and present the image of the company, Tohome publishes its advertising on books, magazines, BTS (Bangkok's sky metro), as well as banners on other big websites. This means that Tohome uses not only online media, but also offline media to reach the people.

5.2.4.2 SALES PROMOTION

In the first page of Tohome, the site will provide you with a special deal. You could pre-order some popular product with a special price. When you buy a product at Tohome, you could also receive a cash voucher to buy another Tohome product.

5.2.4.3 CUSTOMER SERVICE

According to Tohome's Managing Director, Tohome puts the emphasis on the customer. The company tries to make the customer pleased with Tohome's services. Because of this, the page allows the customer to send suggestions or questions for customer service to answer. There are the two channels that clients can use to reach the customer service team.

1. Telephone 0-2382-4000

Customer Service will be available during 9.00 - 18.00 (Mon - Sat)

2. E-mail : services@tohome.com

The mailbox will be opened 24 Hrs. a day; however the message will be answered during office hours.

5.2.4.4 DIRECT MARKETING

Apart from the use of websites as a medium, Tohome has also used direct marketing strategies. This is done through the E-mail marketing strategy. The E-mail address is sent to the customer based on its own customer's database.

5.2.5 CONCLUSION

According to Arnold (1993: 28), Brand Mapping is a useful framework to understand the relationship between the various elements of a Brand. This is achieved by classifying the elements into categories and then mapping them on a chart. In this case, this model could summarize the benefit of Tohome into categories as shown in Figure 5.6.



Figure 5.6: Brand Mapping of Tohome

After examining the 4Ps, Tohome can be mapped on this model as follows. At the core, the essence of the product is that it is an online retailer. This online retailer offers two broad benefits to the customer, inexpensiveness and convenience of home shopping, as shown in the second ring. The outer most ring presents the attributes of Tohome.

Popular Product: According to Tohome's Managing Director, he selects well-known or fashionable products to sell.

Security System: Information given during the ordering process at www.tohome.com will be encrypted with SSL (Security Socket Layer) while transmitting to the server. This information will not be kept at Tohome. Moreover, the credit card number will be divided partly to be sent online and partly through the phone.

Variety payment method: Tohome offers many payment methods. These are cash, bank transfers, Internet banking, credit cards, and money orders.

Leasing: Tohome also provides a leasing service. The customer who wants to use the leasing service can contact the customer service for approval.

Low price product: Tohome offers a low price product. According to Tohome's Managing Director, the using of websites can save many costs, which enable to sell products at a low price.

Sales promotion: Tohome offers special products, which have special costs.

Voucher: Tohome offers vouchers, which can be used as a discount when you purchase other products from Tohome. You will receive vouchers when you buy specific products from Tohome.

After sales service: Tohome offers after sales services like warranty and the customer service.

Variety delivery service: Tohome offers varieties of delivery services. These are Self-pick-up, Messenger/Courier, AUTHORITY OF THAILAND'S EXPRESS MAIL SERVICE (EMS) , and Register mail.

5.4 DEVELOP A QUESTIONNAIRE

From the previous section, the four Ps model allows to understand the seller's view of the market. In this section, we will look at the customer's view. This could be achieved by compiling a questionnaire about the client's perception toward Tohome and Internet using. If we examine Kotler's Steps in Developing a Strong Brand Name, we will find that they can be divided into three main points: Product Benefit (Offering), Brand Identity, and Promotion (Advertising). In this section, we will also use the questionnaire regarding these three factors in order to illustrate the customer's perception.

5.4.1 PRODUCT BENEFIT (OFFERING)

From the case study, we can deliver a Brand Mapping model and communication methods from previous sections to establish a questionnaire about Tohome's offers. The result is presented below.

1. If the price is the same, will you choose to shop online?

Table 5.3: People who shop online if the price of the product is the same

Method	Frequency	Percent
Online	26	13
Offline	174	87

From table 5.3, 87% of the people say that they would shop offline if the price were the same. Only 13% say that they would still shop online.

2. If the online price is a lot cheaper, will you still shop offline?

Table 5.4: People who shop online if the price of the product is a lot cheaper

Method	Frequency	Percent
Online	148	74
Offline	52	26

In this case, 74% will decide to shop online. This is a 61% increase.

3. Do you think that Tohome's products are cheap? (this question specifically addresses Tohome buyers)

Table 5.5: Perception toward the price of Tohome's products

Method	Frequency	Percent
Expensive	0	0
Normal	4	10
Cheap	36	90

From Table 5.5, 36 Tohome customers out of 40 claim that the website's products are cheap. The other 4 claim that it is normal.

From these three questions, we could conclude that the product's price on the net is important. Most of the samples decide to shop online if the product is cheap. Otherwise, they would rather purchase it offline. The success of Tohome is based on the inexpensiveness of the products presented. This is confirmed by the fact that 36 Tohome customers out of 40 claim so.

4. Have you ever shopped online?

Table 5.6: People that have ever shopped online

Shopped online	Frequency	Percent
Ever	67	33.5
Never	123	66.5

From table 5.6, we can see that 67 people acknowledged to have shopped online before. The other 123 stated that they had never shopped online.

5. Where do you mostly use computer for shopping? (this question specifically addresses Tohome buyers)

Table 5.7: Places where computer is used

Place	Frequency	Percent
Office	43	64.1791
Home	24	35.8209

According to the Table 5.7 from a total 67 people, 43 shop from the office while 24 shop from home. These data confirm what Tohome has already stated. Tohome's Managing Director said that most of the customers are from offices. He believes that it may be because offices are connected to LAN, which connects to Internet. This allows the office employees to conveniently shop on the net. Moreover, people have less time to shop offline, since they have more busy lifestyles nowadays.

6. Why do you shop online? (only pertaining to people who have shopped online before)

Table 5.8: Reasons for shopping online

Reason	Frequency	Percent
Inexpensiveness	47	36.71875
Convenience	43	33.59375
Product selection	25	19.53125
Fun	13	10.15625

From Table 5.8, the answers given by 67 people that have shopped online before falls into four categories. 47 people claim about the price that it is cheap. 43 people refer to convenience as a reason. They can browse the product at the office, thus saving

time. 25 people mentioned product selection, meaning they can easily compare the specification of the product since they can find a lot of models on the net. Finally, 13 people said it is fun and entertaining.

The results imply that if we look at the second ring, Tohome offers the right benefits to the customer. This is because people decide to purchase online due to the fact that it is cheap and convenient.

7. Why don't you shop online? (only pertaining to people who have never shopped online before)

Table 5.9: Reasons against Internet purchasing

Reason	Frequency	Percent
Security	105	29.49438
Complication	74	20.78652
Can't see/feel product	85	23.8764
Not immediately receiving the product	56	15.73034
Not interested	36	10.11236

From Table 5.9, we notice that the answer of 123 people who have never shopped online fall into four categories. 105 mentioned security, 74 claimed that it is complicated, 85 don't want to buy a product they are not able to see, 56 want the product immediately, and 36 are not interested in it.

The result of this question is quite similar to the one gathered from NECTEC. This means that security is probably the most important factor, followed by the problem of not being able to touch or feel the product. From the information above we realize that Tohome's decision to sell popular products is right, since people are familiar with them already. Moreover, Tohome offers a good security system. Tohome also offers many

delivery services and payment methods, which help reduce complication, since the customers can choose the method they prefer.

8. What kind of product will you buy online?

Table 5.10: Products purchased on the net

Product	Frequency	Percent
Book	86	25.59524
Software	26	7.738095
IT equipment	42	12.5
Music and movie	67	19.94048
Mobile phone	32	9.52381
Electronics	36	10.71429
E-book/ Information	9	2.678571
Food	5	1.488095
Cosmetic	17	5.059524
Medication	0	0
Other	16	4.761905

According Table 5.10, I have used the results from Internet User Profile of Thailand as a guideline for this question. The results are quite similar to the Internet User Profile of Thailand except that the software product is not popular in this case. You can also notice that around 90% of the products are the products that Tohome sells.

9. What are you concerned with when shopping online? (can select at most two)

Table 5.11: Factors concerned when shopping online

Factor	Frequency	Percent
Delivery service	78	20.41885
product price,	66	17.27749
security	54	14.13613
product variety	43	11.25654
after sales service	42	10.99476
payment method	42	10.99476
special promotion	35	9.162304
allow leasing	22	5.759162

This question tries to illustrate the important of each attribute. We will discover that the delivery service and the product price seem to be the most important factor. The security's factor is in the third place, following by the factor concerned with product variety, after sales service, payment method, and special promotion. And the least important factor is factor concerned with leasing.

10. What payment method will you use to buy online?

Table 5.12: Payment method

Payment method	Frequency	Percent
Credit card	109	34.82428
Money order	21	6.709265
Bank transfer	78	24.92013
Cash	82	26.19808
Internet Banking	23	7.348243

11. What are you concerned with when selecting a payment method?

Table 5.13: Factors in selecting a payment method

Factor	Frequency	Percent
Security	161	80.5
Complication	36	18
Service charge	3	1.5

From Table 5.12 we realize that people are mostly concerned with payments' security. But it seems strange that they mostly would choose a credit card as the payment method, since it has the worst reputation. Because of this, I have asked some samples to explain their answers. They believe that Internet is unsafe, since they have heard many bad reports from the media. That is why they are scared to purchase products on Internet. However, they selected to use credit cards because it is a familiar method. It seems that Internet shopping and credit cards are associated. But they are fearful about using it. In the future though, this could be the most popular method and the most widely used. Then the security problem would be overcome. It seems that the credit card's familiarity has more power than its security problem.

12. Do you believe shopping on the net is secure?

Table 5.14: Perception in Internet security

Answer	Frequency	Percent
Yes	14	7
No comment	77	38.5
No	109	54.5

13. Do you believe that shopping with Tohome is secure? (this question specifically addresses Tohome buyers)

Table 5.15: Perception of Tohome's security

Answer	Frequency	Percent
Yes	40	100
No comment	0	0
No	0	0

From Table 5.13-14, we perceive that most people do not believe that shopping on the net is secure. But the brand belief is important. If the customers believe in the company, they will have a good attitude about the company. 100 percent of samples who have ever shopped from Tohome believe that Tohome is secure.

14. What delivery method will you choose?

Table 5.16: Perception in Tohome's security

Method	Frequency	Percent
Self pick up	72	22.64151
Messenger/Courier	155	48.74214
EMS	36	11.32075
Register mail	55	17.2956

15. What are you concerned with in selecting delivery method?

Table 5.17: Factor in selecting delivery method

Factor	Frequency	Percent
Speed	45	22.5
Price	35	17.5
Security	87	43.5
Complication	33	16.5

According to Table 5.16, in delivery, people are mostly concerned with the security and speed. This would make Messenger/Courier seem to be the most effective method for the customer. It is also cheaper and less complicated than the Communication Authority of Thailand's Express Mail Service (EMS) and registered mail. The reason for the sample that select self pick up may come from the reason that it seem to have less complicate than the Authority of Thailand's Express Mail Service (EMS) and registered mail. According to Tohome's Managing Director, Messenger/Courier is the most used method. This may come from the reason that the customer live in Bangkok and suburb area and this is the most convenient method.

16. What do you think about Tohome's delivery service? (this question specifically addresses Tohome buyers)

Table 5.18: Perception toward Tohome's delivery service

Answer	Frequency	Percent
Excellent	4	10
Good	28	70
Ordinary	7	17.5
Bad	1	2.5
Need improvement	0	0

17. What do you think about to have a voucher? (this question specifically addresses Tohome buyers)

Table 5.19: Perception toward Tohome's voucher

Answer	Frequency	Percent
Like	40	100
Ordinary	0	0
Dislike	0	0

18. Have you ever use leasing service from Tohome? (this question specifically addresses Tohome buyers)

Table 5.20: Perception toward Tohome's voucher

Answer	Frequency	Percent
Ever	2	5
Never	38	95

19. What do you think about Tohome's product (Does It offer the product you need)?
(this question specifically addresses Tohome buyers)

Table 5.21: Perception toward Tohome's product

Answer	Frequency	Percent
Excellent	5	12.5
Good	28	70
Ordinary	7	17.5
Bad	0	0
Need improvement	0	0

20. What do you think about Tohome's after sales service? (this question specifically addresses Tohome buyers)

Table 5.22: Perception toward Tohome's after sales service

Answer	Frequency	Percent
Excellent	2	5
Good	14	35
Ordinary	24	60
Bad	0	0
Need improvement	0	0

21. Will you shop from Tohome again? (this question specifically addresses Tohome buyers)

Table 5.23: Another purchase

Answer	Frequency	Percent
Yes	40	100
No	0	0

From question 16-21, we have asked the customers about their perception toward Tohome's important attributes. The result shows that the most of the customer please with Tohome's offering. We can also notice that there are few people using leasing service on the net nowadays.

5.4.2 BRAND IDENTITY

This section, the question about the effectiveness Tohome's brand identity is established. This is the fact that the brand identity should reflect some good associations.

22. What are the things that you will firstly thinking of after seeing the word Tohome?
(this question specifically addresses Tohome buyers)

Table 5.24: Relation of word Tohome

Relation	Frequency	Percent
Shopping at home	32	40
Shopping 24 hours	22	27.5
Cheap	19	23.75
Security	0	0
Variety of product	2	2.5
Good delivery service	5	6.25

23. Do you think Tohome's name remind you of convenient of shopping at home?
(this question specifically addresses Tohome buyers)

Table 5.25: Perception toward the relation between Tohome and shopping at home

Answer	Frequency	Percent
Yes	40	100
No Comment	0	0
No	0	0

24. Do you think Tohome's remind you of cheap product or it is relate to cheap product? (this question specifically addresses Tohome buyers)

Table 5.26: Perception toward the relation between Tohome and cheap product

Answer	Frequency	Percent
Yes	40	100
No Comment	0	0
No	0	0

25. Do you think Tohome's remind you of security or it is relate to security? (this question specifically addresses Tohome buyers)

Table 5.27: Perception toward the relation between Tohome and Security

Answer	Frequency	Percent
Yes	21	52.5
No Comment	16	40
No	3	7.5

26. Do you think Tohome's remind you of good delivery service or it is relate to good delivery service? (Only for Tohome's buyer)

Table 5.28: Perception toward the relation between Tohome and delivery service

Answer	Frequency	Percent
Yes	27	67.5
No Comment	13	32.5
No	0	0

From Table 5.24-28, it illustrates that, in the customer point of view, Tohome reflects good associations.

From question 27-29, questions are concerned with the characteristic of the word "Tohome" are established. The questions are based on the law of the proper name presented in the section 2.6.

27. Do you think Tohome's name is short? (this question specifically addresses Tohome buyers)

Table 5.29: Perception toward the about Tohome's name (short)

Answer	Frequency	Percent
Yes	40	100
No Comment	0	0
No	0	0

28. Do you think Tohome's name is simple? (this question specifically addresses Tohome buyers)

Table 5.30: Perception toward the about Tohome's name (simple)

Answer	Frequency	Percent
Yes	40	100
No Comment	0	0
No	0	0

29. Do you think Tohome's name is unique? (this question specifically addresses Tohome buyers)

Table 5.31: Perception toward the about Tohome's name (unique)

Answer	Frequency	Percent
Yes	37	92.5
No Comment	3	7.5
No	0	0

5.4.3 ADVERTISING

According to Tohome, it runs an advertising banner on a big website, and an E-mail marketing, accompanied by an offline advertising. However, this thesis is concerned with online aspect only. This allows the questionnaire projects on an advertising banner, and an E-mail marketing.

Banner

We will mainly examine the way to use the banner on the web in an effectively manner in this section. In this case, the consideration of the positions, and the characteristics of banner will be discussed. We will use Click-through method in order to examine the banner effectiveness. It means that the positions and the characteristics of banner should persuade the customer to click on it.

30. Which banner will you click? (top)

A. **BANNER**

B. **BANNER**

C. **BANNER**

D. **BANNER**

Table 5.32: Position of banner

Banner type	Frequency	Percent
A	67	33.5
B	32	16
C	23	11.5
D	78	39

31. Which banner you will click (size)

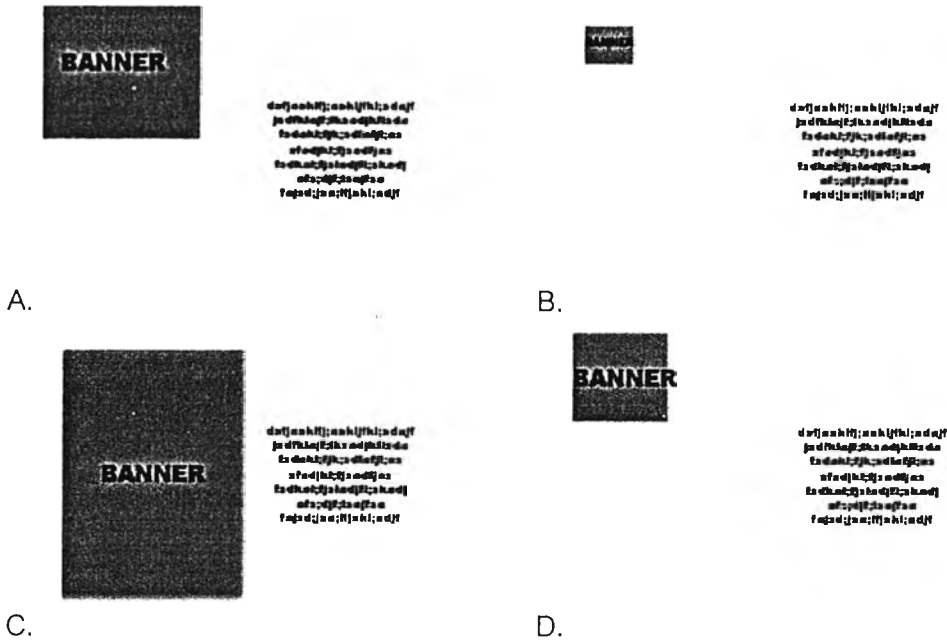


Table 5.33: Size of banner

Banner type	Frequency	Percent
A	34	17
B	6	3
C	102	51
D	58	29

32. Do you like animation banner or static banner?

Table 5.34: Perception toward banner animation

Condition	Frequency	Percent
Animation	156	78
Static	44	22

33. If it has a pop up banner window, will you allow it to download?

Table 5.35: Perception toward pop-up window

Answer	Frequency	Percent
Always	13	6.5
Sometime	133	66.5
Never	54	27

From Table 5.32-35, it illustrates the positions that most of the people willing to click are at the top of the page, and mix with the text in the middle of the page. It seems that the banner is less effective if it locate at the bottom, or at the side of the page. The bigger size of banner seems to be more effective. Another factor is that it should beautiful and it should not interfere with the text. This may be the reason why someone chooses A and D. The dynamic banner also attracts the people more than static banner. However, the use of pop-up window may not work. According to I-click (November 2001: 53), Internet users think that the banner is annoying. This means that Internet users would like to click only the banner that they are interested in. The survey also confirms this statement. It shows that most of the surfer will close the pop-up window before it is completely downloaded.

E-mail marketing

According to Jupiter research (cited in I-click, December 2001: 45), the use of an E-mail marketing costs only 1000\$ compare with 20,000\$ of an ordinary mail. This can be a lot of cost saving. Moreover, the response rates are as high as 10% compare with the 2% of an ordinary mail and 0.5% of a banner. This allows many firms eager to use e-mail marketing as well as Tohome. According to eMarketer (cited in I-click, December 2001: 45), 22% of E-mail of Internet user aims to introduce the product or service, which 50% of these mails are allowed by the recipient. However, the other 50% are solicited Mail or Spam. By the Spam, the

surfer considers them as junk mail and they also have a bad impression about it. This section aims to establish a survey about the E-mail using behavior concerning with junk mail.

34. Do you read all the e-mail you received?

Table 5.36: E-mail reading behavior1

Answer	Frequency	Percent
Yes	4	2
No	196	98

35. Do you read the unknown e-mail from the stranger?

Table 5.37: E-mail reading behavior2

Answer	Frequency	Percent
Yes	19	9.5
No	181	90.5

36. Do you read the e-mail from the stranger, if it has interesting subject?

Table 5.38: E-mail reading behavior3

Answer	Frequency	Percent
Yes	156	78
No	44	22

37. Do you always read the e-mail from your friend?

Table 5.39: E-mail reading behavior4

Answer	Frequency	Percent
Yes	188	94
No	12	6

From Table 5.36-39, it shows that people are not willing to read junk mail. However, they mostly are with the subject before they decide to read an E-mail. They will only read the mail with an interested subject or an E-mail from acquainted person.

According to Tohome, it only sends the mail based on the its customer database. This means that Tohome only send to the people who are interested in it. In order to make an effective E-mail marketing, we have to firstly find out the target groups and only send an E-mail to them. Otherwise, they will not look at it. Moreover, some ISPs establish a list of spam E-mail, which do not allow them to reach the recipient. If we use spam, it could make the company records in a bad list. Finally, the company can not use an E-mail marketing again.

In conclusion, in product offering, we have found from the questionnaire responses that the product's price on the net is important. Most of the respondents decide to shop online if the product is cheap. Otherwise, they would rather purchase it offline. Another factor that most of the respondents are concerned with in the questionnaire is convenience. After examining the case study, we have found the attribute of successful websites. From the questionnaire, we discover that the delivery service and the product price seem to be the most important factor. The security's factor is in the third place, followed by the factor concerning product variety, after sales service, payment method, and special promotion. And the least important factor is the factor concerning leasing.

As for brand identity, the result confirms that tools from Philip Kotler and Laws of Proper Name agree well with the case study and show a positive result. So, we can conclude that these tools can also be used online to reflect the brand image.

As for advertising, Kotler draws a recommendation in advertising for any media. The difference of the website is that it allows using the online advertising media. This will enable us to adopt this recommendation to be used with the online media. In this thesis, The study of using E-mail marketing and online advertising banners is done. This will enable us to understand the way to establish good E-mail marketing and position the advertising banner. The result show that people willing to click the banner located at the top of the page, or mix with the text in the middle of the page. It seems that the banner is less effective if it is located at the bottom, or at the side of the page. The bigger size of banner seems to be more effective but it should be attractive and not interfere with the text. The dynamic banner is better than static banner. Avoid using the pop-up window since people will not look at it. For E-mail marketing, people are not willing to read junk mail. However, they are mostly concerned with the subject before they decide to read an E-mail. They will only read the mail with an interesting subject or an E-mail from acquainted person. So, do not use junk mail and send the mail to the target person only.

5.5 CONCLUSION

After examining the case study, it is found that the important factors in establishing a good website are concerned with two main steps: defining the benefits of the website and communicating the benefits to the customer. In communication, we can build the brand name identity, and we can also use the advertising.

In order to illustrate the benefits of a website, brand mapping model can be a useful tool. According to the case study, Tohome's offering satisfies most of customer. Here, we will classify Tohome's attributes into groups in order to present a general brand mapping. This brand mapping provides us with the factors that are concerned with the product offering in order to establish a successful website.

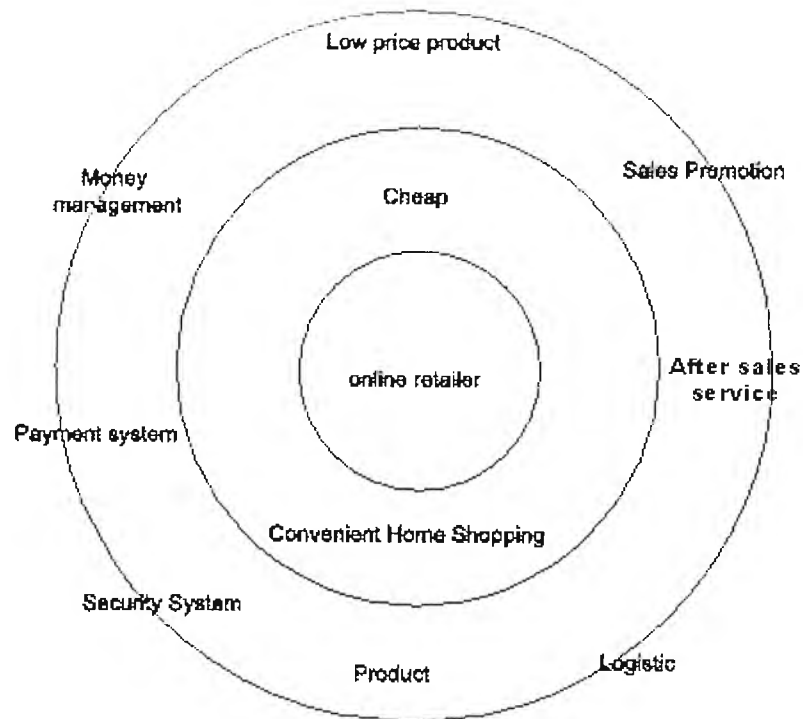


Figure 5.7: General brand mapping for commercial website

From Tohome, we can conclude that the buyers shop from Internet from its inexpensiveness and convenience. Additionally, the buyers are also concerned with eight attributes when they shop on the net.

Product: In this case, it means the way to select the product. For Tohome, it selects the well known or in fashion product to sell.

Security System: It means that the website should be concerned with the security system in order to establish a commercial website.

Payment System: It means that the website should be concerned with the payment system that it wants to offer.

Money management: Its means that the website be concerned with the money management system that it wants to offer. For Tohome, it provides the leasing service.

Low price product: It means that the product that the website want to offer should be at least as expensive as normal. Most of the products of Tohome are cheaper than normal.

Sales promotion: It means that the website should be concerned with the sales promotion that it wants to offer. For Tohome, it offers special low price product, and voucher.

After sales service: It means that the website should be concerned with the after sales service that it wants to offer. For Tohome, it offers warranty and customer service

Logistics: It means that the website should be concerned with the ways to deliver the product to the customer that it wants to offer. For Tohome, it offers many delivery services. These are Self-pick-up, Messenger/Courier, EMS, and Register mail.

In order to establish a website, we have to consider these eight attributes and communicate these benefits to the customer. By communication, we have to establish a brand identity and an advertising campaign.

In establishing a brand identity, Tohome uses a simple word and a parcel as a logo. According to the questionnaire responses, Tohome conforms to most of the rules of proper name, and it also offers the positive association with the benefits in the brand mapping.

As for advertising banner, it seems that the good locations to place the banner are at the top of the page and mix with the text in the middle of the page. The bigger banner is better but it should not make the page look untidy. The banner with animation can attract most of the customer. Avoid using pop up window, most of people will close that window before it downloads. For E-mail marketing, the E-mails should be sent to the target groups only. Moreover, the description on the E-mail should attract the customer to read that E-mail.