

Caffe MuanChon Marketing Mix and Consumer's Purchasing Decision

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Nowadays, the coffee shop business market has consecutively high competition, in terms of consumers that have various coffee brands to consume and also in terms of owners that have more competitors. CPALL is one of the biggest companies in Thailand that demands market value of coffee shops. There are 7 coffee brands under the CPALL including Caffe MuanChon. In consequence, the purpose of this study is to examine the factors that affect consumer's decision to purchase Caffe MuanChon. First is 7Ps marketing mix especially product and price and second is demographic factors which are gender, age, income (per month), education and occupation.

The study was a survey consisting 205 samples of respondents who know and used to consume Caffe MuanChon and also specify respondents who live, work or study in the Bangkok Metropolitan Area. Data was primary data which was collected by using questionnaires through social media. Analyzing the data used both descriptive statistics and inferential statistics by using programs which were Microsoft Excel and Gretl.

The results of this study show that there are 3 factors of marketing mix that have an impact on consumer's purchase decision from Caffe MuanChon. First is physical evidence that has significance at 99 percent confidence level. Second is also a product that has significance at 99 percent confidence level. Third is price that has significance at 95 percent confidence level. These 3 factors have a positive impact on the decision to purchase Caffe MuanChon. On the other hand, demographic factors have no impact on the decision to purchase Caffe MuanChon.

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Chapter 1

Introduction

Nowadays, coffee is one of the most famous beverages that people prefer to drink all around the world, it is not just in Thailand because drinking coffee becomes one part of our daily life. In 2017, Nestle (Thai) Ltd. found that average coffee consumption of Thai people is about 300 cups per person in a year. It means that Thai people drink at least one cup of coffee per day. Moreover, Food Intelligence Center Thailand found that the market value of coffee shops continuously increased from 2017 to 2019. The market value of coffee shops is around 25,860 million baht in 2019. As mentioned above, it represents that the coffee market expands from two aspects. First is the competitor aspect which is global brands, middle brands and small brands. Second is the consumer aspect which is new generation consumers, they tend to drink more coffee. Euromonitor found that Thailand was ranked at top 4 among Asean countries but it was ranked at top 50 of global ranking. Thus, Thailand was ranked at 41 in 2019.

Table 1 Market value of coffee shops

| Market value of coffee shops (million baht) | 2017 | 2018 | 2019 |
|---|--------|--------|--------|
| | 21,220 | 23,470 | 25,860 |

Source: Food Intelligence Center Thailand, retrieved 20 June 2020, from <http://fic.nfi.or.th/index.php>

Caffe MuanChon is the one of the Thai coffee brands. The beginning of Caffe MuanChon has started since 2010. The initial purposes of Caffe MuanChon are to create more opportunities for coffee entrepreneurs, to set the standard of coffee shops, to reduce the number of unemployment and also to stimulate the coffee business market. The Chief Human Resources Officer of CP initiated the project called coffee training for society and community. This project had no charge and no condition for people who are interested in becoming coffee entrepreneurs.

CP had a vision about the opportunity of growth to do coffee business in Thailand. Then, the project was developed to become a first original coffee shop named “CP Retailing Coffee”. In 2015, CP Retailing Coffee was rebranding to “Caffe MuanChon” that operates under the concept of coffee shop for society and community. In addition, it gives opportunities for people who are interested in doing coffee business that manages by Thai company. Especially, Caffe MuanChon uses Thai coffee beans that are also planted by Thai agriculturist since Thai people can consume at acceptable prices.

Figure 1 Caffe MuanChon Logo



Source: MuanChon, retrieved 20 June 2020, from <http://www.muanchoncafe.appcpr.com/>

CPALL is the one of the biggest companies in Thailand that demands to get more market share for its coffee brands. CPALL establishes many beverage brands which are All Café, All Café Gold, Kudsan Bakery & Coffee, Arabitia Café, and Jungle Cafe including Caffe MuanChon.

In addition, Caffe MuanChon focuses on franchising to general people. In 2019, the turnover of Caffe MuanChon grew by 20% because branches are expanded around 100 branches in Bangkok and other provinces. The shop had 200 branches in 2019. Nowadays, Caffe MuanChon totally has 231 branches all over the country. The main feature of Caffe MuanChon is to sell at an affordable price as the price starts from only 29 baht in order to target the working class and middle class.

Figure 2 Seven coffee brands of CPALL



Source: TheBangkokInsight, retrieved 20 June 2020, from <https://www.thebangkokinsight.com/125475/>

In fact, customers have various alternatives of beverages to consume or make decisions to purchase that tends to drive the market to be more competitive, especially coffee brands. Therefore, Caffe MuanChon's has to adapt its marketing strategies to attract more customers, to suit more customers' satisfaction and also to increase their abilities in the aspect of competition.

The objectives of this study can be separated into two aspects. First, to examine the impact of product and price which are components of 7Ps marketing mix on customers' purchase decision of Caffe MuanChon. Second, to examine the impact of demographic factors which are gender, age, income, education and occupation on customers' purchase decision of Caffe MuanChon.

Methodology for this study using both descriptive statistics which are percentage, minimum, maximum, mean and standard deviation and inferential statistics which are Ordinary Least Squares method and the multiple linear regression to examine the impact of marketing mix factors which are product and price and impact of demographic factors in order to test if they are statistically significant on purchase decisions.

The hypotheses are the two components of 7Ps marketing which is product and price have statistically significant impact on customer's decision to purchase Caffe MuanChon.

Using primary data and the data is collected through the survey from people who know Caffe MuanChon and who used to consume Caffe MuanChon and also specify only people who live in the Bangkok Metropolitan Area.

The result of this study can inform the marketing that Caffe MuanChon should do to induce more customers' satisfaction to purchase beverages and also utilize for target people who have demand to buy the beverage. Moreover, the result of this study will be useful for people who are interested to study the effect of marketing mix on customer decisions to purchase Caffe MuanChon or customer's purchase decisions in other aspects.

There are some definitions of important words are shown below.

Coffee Roasting is a chemical process that a heat turns into aromatic. The chemical process occurs when beans are swiftly brought to extremely high temperature to reach the peak and then the beans are suddenly cooled and the process will stop. This process uses the green coffee beans in order to bring out aroma and flavor. Roasting can be divided to 4 levels which are light roasts, medium roasts, medium-dark roasts and dark roasts.

Franchise is a type of business that a party which is called "**Franchisee**" acquires the right or license from the owner which is called "**Franchisor**" in order to access business including proprietary knowledge, processes, and trademarks and also to sell a product or provide a service under the trademark. The party makes an agreement with the owner by paying initial start-up and paying license fee.

Chapter 2

Literature Review

2.1 Empirical Evidence

As the independent study empathizes on the effect of marketing mix on customer's purchase decision, some relevant articles are found from reviewing that can be classified according to type of marketing mix which is 4Ps or 7Ps marketing mix.

Keawjumpasri (2019) studied the factors that have effect on consumption of coffee in Muang District Ratchburi Povince by using descriptive statistics which are mean, standard deviation and frequency distribution and using inferential statistics which are T-test, One-way ANOVA and Sheffe's post hoc comparison method. Author hypothesized that whether there are differences between customer's attitude of 7Ps marketing mix and demographic factors which are sex, age, status, education, occupation and income. The result found that all components marketing mix have strong impact on consumption of fresh roasted coffee which are physical evidence, process, price, people, place and promotion respectively. Physical evidence is the most important factor in terms of decoration, environment and facilities. For demographic factors, first is sex, there are differences in attitudes between male and female in terms of place. Second is status, there are differences in attitudes among status in terms of people. Third is income, there are differences in attitudes among income levels in terms of product and promotion.

Similarly, Nopchaiya (2015) also used 7Ps marketing mix to study the effect of marketing mix on Café Amazon purchase decision at PTT gas station by using descriptive statistics which are frequency, percentage and mean and using inferential statistic which are Factor Analysis, Regression, Independent Samples T-test and One-way ANOVA. Author hypothesized that the 7 components of marketing mix have an impact on customer's decision to purchase Café Amazon and also hypothesized that purchase decisions are varied by each demographic factors which are sex, age, education, occupation and income. The result found that there are 6 components of marketing mix which are product, people and process, price, place, physical evidence and promotion respectively have an impact on purchase decisions. Product is the most important factor in terms of taste, standard and quality. For demographic factors, first

is sex, there are no differences in purchase decisions between male and female. Second is age, there are no differences in purchase decisions among age levels. Third is education, there are no differences in purchase decisions among education levels. Fourth is occupation, there are no differences in purchase decisions among different occupations. Last is income, there are no differences in purchase decisions among income levels.

On the other hand, Sheriff, Ismail, Bakar and Damain (2016) used 4Ps marketing mix which are product, price, place, promotion. Authors studied the influence of marketing mix on decision to purchase local instant coffee by using descriptive statistics which are frequency and mean and using inferential statistics which are Pearson correlation and Regression. The result found that product is the most important factor that has an impact on decision to purchase local instant coffee,

From reviewing several articles, marketing mix is mostly used for purchase decision analysis. There are some related articles that results can be classified according to each component of the marketing mix.

1. Product

Kombenjas and Lertrattanon (2011) studied marketing mix of foreign coffee franchise and consumer behaviors in Bangkok found that the product has an effect on frequency of visiting in terms of taste, signature, variety criterion and logo. Similarly, Sangngoen (2016) found that product is the third factor that has an impact on the decision to purchase 7-11 franchise in the aspect of reputation, design and standard. Sarianti and Maliha (2019) also found that the product has an effect on the decision to visit coffee co-working in terms of facilities. Moreover, Krommuang, Suwunnamek and Hothonhcum (2017) found that the product affects the decision to purchase street food as consumers consider taste, freshness, quality of food and cleanliness. Besides, Satit, Tat, Rasli, Chin and Sukati (2012) found that product is the strongest factor that has impact on consumer decision-making over travel agents that accord with Muhammad (2019) studied marketing mix and purchase decision of life insurance, author found that product has effect on decision to purchase life insurance. Ammarit and Fernando (2018) studied marketing mix and adult's decision making in choosing an English language school, authors also found that the product is the fourth factor that has impact on

decision making in choosing an English school. On the other hand, the above-mentioned result against Apiraknanchai (2014), author found that the product has an effect on the decision to purchase from consumers who are interested in becoming entrepreneurs in Bangkok.

2. Price

According to Sangngoen (2016), studied marketing mix and decision to purchase 7-11 franchises found that price is the most impact factor in the aspect of return and franchise fee on decision to purchase 7-11 franchise. Similarly, Sarianti and Maliha (2019) found that price also has an impact on decision to visit coffee co-working. Astuti, Silalahia, and Wijayaa (2015) studied marketing mix and decision to purchase Malang apple from customers and found that the price factor has the most impact on consumer's purchase decision. However, Astuti, Silalahia, and Wijayaa (2015) suggest that the price is the factor that marketing of Malang apple has to focus on. Thus, they continuously analyze price by using APH. They separate the price strategy and analyze in terms of cost, competitor and demand. Thus, the result shows that demand is the most influential factor on the price strategy. Besides, Satit, Tat, Rasli, Chin and Sukati (2012) studied marketing mix and consumer decision-making over travel agents and found that price is the important factor that impacts consumer decision-making over travel agents. Krommuang, Suwunnamek and Hothonhcum (2017) also found that price has impact on decision to purchase street food as consumers consider price along with quality that they have ability to pay that against Muhammad (2019) found that price has no effect on decision to purchase insurance.

3. Place

Although Krommuang, Suwunnamek and Hothonhcum (2017) studied whether marketing mix affects decision to purchase street food in Thailand and found that place has no effect on decision to purchase street food because people can go to buy food and access the stores easily and also Sangngoen (2016) found that place has no effect on decision to purchase 7-11 franchise because it often has franchise exhibition in Bangkok Metropolitan Area, Sarianti and Maliha (2019) found that place has effect on consumers' decision of visiting coffee co-working in the aspect of location and convenience transportation and Kombenjamas and Lertrattanon (2011) also found that

place which are convenience and branches has impact on frequency of visiting coffee shop, preferred coffee and buying habit.

4. Promotion

According to Sarianti and Maliha (2019), authors found that promotion which is buy 1 get 1 influences the decision of visiting coffee co-working as same as Kombenjas and Lertrattanon found promotion which are voucher and membership has an effect on frequency of visiting coffee shops. Also, Krommuang, Suwunnamek and Hothonhcum (2017) found that promotion has an impact on the decision to purchase street food due to the fact that most people have seen food images on social networks. However, their result contradicts Sangngoen (2015), author found that promotion has no impact on decision to 7-11 purchase franchise in terms of advertising and seminar because 7-11 is still well-known. Muhammad (2019) also found that promotion does not affect life insurance purchase decision.

5. Physical Evidence

Sangngoen (2016) found that physical evidence in term of cleanliness, beauty decoration and moderately light has impact on decision to purchase 7-11 franchise that similar to Kombenjas and Lertrattanon (2011) found that physical evidence which are decoration, parking and opened-air has an effect on frequency of visiting coffee shop, preferred coffee and buying habit, Also, Muhammad (2019) found that physical evidence has influence on life insurance purchase decision that against Ammarit and Fernando (2018) found that physical evidence has impact on adult's decision making in choosing an English language school.

6. People

Sangngoen (2016) found that people have no effect on the decision to purchase 7-11 franchise because nowadays people can easily access the franchise information on the internet and people no need to rely on franchise sellers. Also, Muhammad (2019) found that people has no impact on life insurance purchase decision. Conversely, Kombenjas and Lertrattanon (2011) found that people affect the frequency of visiting coffee shop, preferred coffee and preferred place in terms of nice staff and speed that accord with Ammarit and Fernando (2018) found people is the most important

factor that has an influence on adult's decision making in choosing an English language school.

7. Process

Kombenjammas and Lertrattanon (2011) found that the process which is open-close time and standardize taste of making a good coffee has an impact on frequency of visiting coffee shop that accord with Muhammad (2019) found that the process affects the decision to purchase life insurance. Also, Ammarit and Fernando (2018) found that the process is the second factor that has an effect on an adult's decision making in choosing an English language school.



Chapter 3

Theoretical Framework

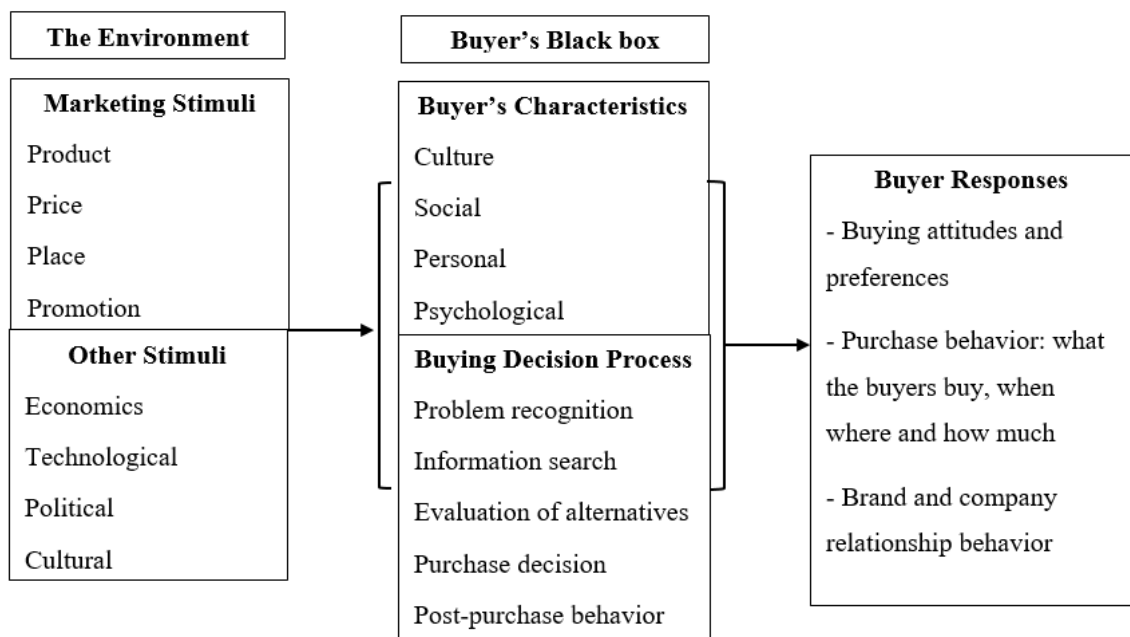
3.1 Consumer Behavior

Consumer behavior is to learn how people including individuals, groups and organizations select, buy, use and sell goods, services, ideas or experiences to satisfy their needs and wants. (Kotler & Keller, 2012, p.151)

Model of Consumer Behavior

To understand consumer behavior is the Stimulus-response model, marketing and other stimuli get in consumer's consciousness or buyer's black box and psychological processes merge together with consumer characteristics in order to result in buying decision processes and then get buyer responses and the result of purchasing decisions. (Armstrong & Kotler, 2014, p.159)

Figure 3 Model of consumer behavior



3.1.1 Buyer's Characteristics

These four characteristics which are cultural factors, social factors, personal factors and psychological factors affect consumer's purchase decision. (Armstrong & Kotler, 2014, p.159 - 174)

1. **Culture factors** can be separate into three categories which are culture, subculture and social class.

Culture is the most important foundation that causes human behavior. Culture includes values, perception and behavior and wants that people learn from the family, society and other institutions. Marketers try to find a culture shift to produce new products to suit customer wants such as health, organic food and clothing.

Subculture is a subset of culture because each culture consists of subcultures that includes life experiences, situations, nationalities, religious, racial groups and regions. Subcultures are valued by a group of people that lead to many market segments.

Social class is determined by income, occupation, education and wealth. Members who are grouped in the same class, they tend to have similar buying behavior, similar values and interests. Social classes can be divided into 4 classes which are upper class, middle class, working class and lower class.

2. **Social factors** can be separated into three categories which are group and social networks, family and roles and status.

For **Groups**, it can be divided into 2 types which are membership groups and reference groups. Membership groups is a person who belongs to groups and the groups have a direct impact. On the other hand, Reference groups have an impact on people who do not belong to groups. This group also has an effect on product and brand choices of people. For **Social Networks** include blogs, websites, applications and other online communities. It is the network where people share information and opinions.

Family is the most important factor that has an impact on buyer behavior. Roles of family which are husband, wife, and children lend to the difference of buying decisions of

Roles and Status determine position of people in each group. A role contains activities that people are expected to perform by others around them. Also, each role carries a status that reflects the respect among people in society. Generally, people choose products to suit their roles and status.

3. **Personal factors** can be separated into four categories which are age and life cycle stages, occupation, economic situation, lifestyle and personality.

Age and Life cycle stages means people buy different products and services over their lifetime. When the age changes, people often change their tastes, clothes and furniture. Life cycle stage is the stage that families pass as they grow up until they mature overtime. It changes from demographic factors and events such as marriage, pregnancy and etc. Marketers determine the target market by using life-stages.

Occupation impacts the consumer's decision to buy goods and services. Some occupations have an above average interest of products and services.

Economic situations include individual income, savings and interest rate. Marketers try to observe these factors because customer's choices are changed by economic situations.

Lifestyle is a person's pattern of living including first is activities such as work, hobbies and sports. Second is interests such as food, family and fashion .Third is opinions such as opinion about products, business and themselves. It is more than social class and personality. Marketers observe our lifestyle segments to produce appropriate products.

Personality and Self-concept means physiological characteristics that differentiate a person or group such as self-confidence, sociability and aggressive .Each person has a different personality that lend to different buying behavior. As brands also have personality, consumers usually choose brands that correspond with their personalities. Marketers use personality to analyze consumer behavior.

4. **Psychological factors** can be separated into four steps which are motivation, perception, learning and belief and attitude.

Motivation is a need at sufficient level of intensity that drives a person to seek his or her satisfaction. When the need is enough, a person is satisfied then the person tries to satisfy the next important need.

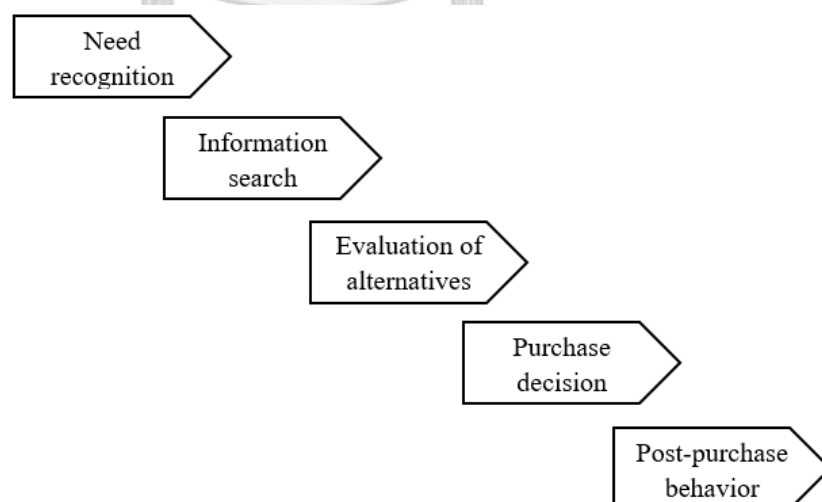
Perception is the process by which people organize and interpret information through five senses which are sight, hearing, touch, smell and taste. After a person is motivated, a person will take an action which is affected by his or her own perception of the event.

Learning affects through changes in personal's behavior. Generally, people learn from their experiences. Moreover, people learn through the interaction of drives, cues, stimuli and reinforcement.

Belief refers to the thought that people have about something based on knowledge, idea and trust. Marketers are concerned about consumers' belief as it creates brand images and characteristics of products. For **Attitude**, it refers to feeling or evaluation of people toward an idea or object. Attitude is hard to change because it is fitted like a pattern in your mind.

3.1.2 Buying Decision Process

Figure 4 Buying decision process



The Buying Decision Process represents how buyers make decisions to buy the product. Thus, the Buying Decision Process can be divided into five stages. The process is shown below. (Armstrong & Kotler, 2014, p.176)

1. Need Recognition

At the first stage, buyers recognize their needs or problems. The needs can be stimulated from both internal and external incentive. Internal incentive likes hungry and thirsty and external incentive likes advertisement.

2. Information Search

At the second stage, buyers are motivated by their need to find more information. In fact, consumers receive the information from many sources but the most effective source is commercial sources as marketers control commercial sources. However, there is no need to search for more information if buyers have strong satisfactions.

3. Evaluation of Alternatives

At the third stage, buyers use received information to evaluate the alternative brands. If marketers know what things that buyers use to evaluate, they can adjust marketing to influence buyers' decisions.

4. Purchase Decision

At the fourth stage, buyers make a decision which brands to purchase. They will purchase the most favorite brand. However, there are two factors that have an impact between purchase intention and purchase decision which are the attitude of others and unexpected situational factors. Attitude of others like someone that is closest to you and family and friends. Unexpected situational factors like expected income, expected price and expected product benefits.

5. Post-purchase decision

At the fifth stage, consumers will either be satisfied or dissatisfied after buying the product. If the product can meet consumers' expectations, they will be satisfied and will come back to purchase the product again. Thus, post-purchase decisions depend on the relationship between consumer's expectation and product performance. Even if the product is sold, marketing does not end.

3.2 Marketing Mix

At the beginning, a marketing mix was developed by McCarthy in early 1960. The traditional marketing consists of only 4 factors which are product, price, place, and promotion. Then, Boom and Bitner further developed the traditional marketing mix by extending the factors from 4 to 7 factors in 1981. The additional factors are people, physical evidence and process. Therefore, the 7Ps marketing mix is known as service marketing mix. In general, marketing mix is a tactical marketing tool that a company uses to produce desired response from its target market. The company can do everything that impacts the demand of its product and also use it as a tool to help marketing plan. (Armstrong & Kotler, 2014, p.76) Therefore, the 7Ps marketing mix are as follows:

1. Product is goods or services that a company offers to customers. Product consists of product variety, quality, design, features, brand name, packaging, sizes, services, warranties and return.

2. Price is the amount of money that consumers have to pay in order to get the goods or services. Price consists of list price, discounts, allowances, payment period and credit terms.

3. Place is the location where goods and services are available for customers. Place consists of channels, coverage, assortments, location inventory and transport. Place also refers to distribution

4. Promotion is activities that a company communicates with customers about its product in order to give information including benefits and incentive the customers to purchase the product. Promotion consists of sale promotion, advertising, sale force, public relations and direct marketing.

5. People are one of the important factors for services marketing because people refer to employees who are involved in direct contract and indirect contract with customers. Especially, behavior, performance, visibility and activities of employees will have a direct impact on customers. Thus, Service employees need to be trained for better performance in activities.

6. Physical Evidence is an environment because most services cannot be offered without the support of tangibles since consumers cannot see the services. Especially, servicescape directly influence consumer's experience which are environmental conditions, space and functions and signs, symbols and artefacts

7. Process represents functional activities and procedures in order to provide results of actions or evidence to customers based on consumer's expectation.

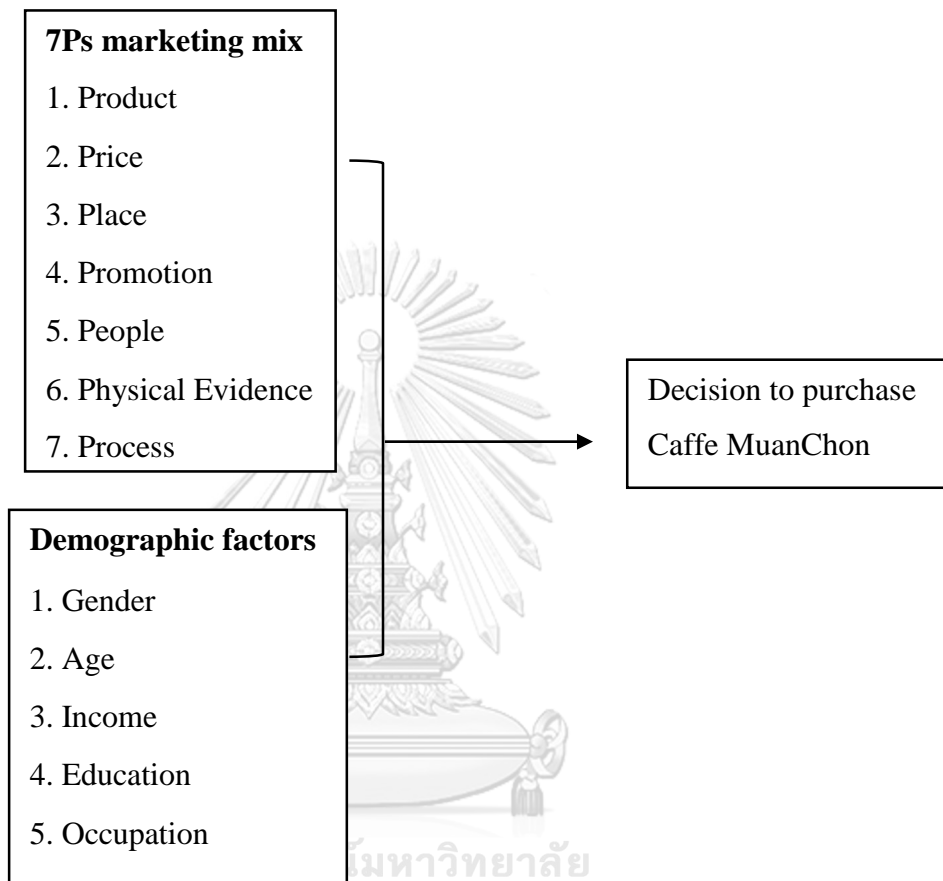


Chapter 4

Empirical Model

4.1 Conceptual Framework

Figure 5 Conceptual Framework



This conceptual framework above is adopted from consumer behavior theory. The conceptual framework relates 7Ps marketing mix which are product, price, place, promotion, people, physical evidence and process to decision to purchase Caffe MuanChon franchise. According to marketing mix strategy, companies use this tactic as a tool to increase demand of customers or to impact buyer's decisions that they want to target. Moreover, there is another factor which is demographic factors such as gender, age, income (per month), education and occupation that have an effect on the purchase decision of Caffe MuanChon. If the characteristics of people are different, the purchase decisions will be different as well.

From the conceptual framework, the empirical model for this study using the Ordinary Least Squares method including multiple regression is shown below.

4.2 Multiple Linear Regression Model

$$Y = \beta_0 + \beta_1Prod + \beta_2Price + \beta_3Place + \beta_4Promo + \beta_5Peo + \beta_6Physi \\ + \beta_7Proc + \beta_8Gen + \beta_9Age + \beta_{10}Inc + \beta_{11}Edu + \beta_{12}Occ + \varepsilon$$

From the model above, β_0 is intercept, $\beta_1, \beta_2, \dots, \beta_{12}$ are regression coefficients and ε is an error term. Where. Y is a dependent variable that means decisions to purchase Caffe MuanChon and independent variables which are product (*Prod*), price (*Price*), place (*Place*), promotion (*Promo*), people (*Peo*), physical evidence (*Physi*), process (*Proc*), gender (*Gen*), age (*Age*), income (*Inc*), education (*Edu*) and occupation (*Occ*).

However, from the model above there are some dummy variables which are gender, education and occupation. Thus, the model that is used for regression is shown below.

$$Y = \beta_0 + \beta_1Prod + \beta_2Price + \beta_3Place + \beta_4Promo + \beta_5Peo + \beta_6Physi \\ + \beta_7Proc + \beta_8Gen + \beta_9Age + \beta_{10}Inc + \beta_{11}Edu_1 + \beta_{12}Edu_2 \\ + \beta_{13}Occ_1 + \beta_{14}Occ_2 + \beta_{15}Occ_3 + \beta_{16}Occ_4 + \varepsilon$$

Additional variables are dummy variables, first gender (*Gen*). Second is education that can be separated into 2 variables which are education1 (*Edu₁*) represents undergraduate level and education2 (*Edu₂*) represents higher than undergraduate level. Third is occupation that can be separated into 4 variables which are occupation1 (*Occ₁*) represents office worker, occupation2 (*Occ₂*) represents government officer, occupation3 (*Occ₃*) represents entrepreneur and occupation4 (*Occ₄*) represents husband or housewife.

The relationship between each factors and decision to purchase Caffe MuanChon can be expected as follows:

First, a product is expected to have a positive relationship on a consumer's decision to purchase Caffe MuanChon as the product is the thing that can satisfy the customers. If consumers prefer the product, they are willing to buy the product again. For example, consumers prefer the taste and the quality of coffee.

Second, price is expected to have a positive relationship on a consumer's decision to purchase Caffe MuanChon as price is money that consumers must pay to exchange goods and services. If the price is lower, this price level will attract more customers and then they are willing to pay more. For example, customers get discounts or allowances.

Third, place is expected to have a positive relationship on consumer's decision to purchase Caffe MuanChon as place is the location that customers can access to buy the product. If the location including distribution is easy to transport, customers are willing to buy the product.

Fourth, promotion is expected to have a positive relationship on a consumer's decision to purchase Caffe MuanChon as promotion is the activities including information and benefits that can attract a customer's purchase decision. For example, a company launches noticeable advertising then customers will have incentive to buy and make a decision to purchase.

Fifth, people are expected to have a positive relationship on consumer's decision to purchase Caffe MuanChon as people directly communicate with customers. If staff provide good services to customers, they will come back to purchase the product.

Sixth, physical evidence is expected to have a positive relationship on consumer's decision to purchase Caffe MuanChon. For example, physical evidence including atmosphere and facilities. If consumers prefer physical evidence, they are willing to purchase more.

Seventh, process is expected to have a positive relationship on consumer's decision to purchase Caffe MuanChon. As the methods of making beverages are standardized and the beverage can be customized by consumers, they are willing to purchase the beverages.

Eighth, gender is expected to have a negative relationship on consumer's decision to purchase Caffe MuanChon. Assuming male is a reference group, gender is also expected to have a difference between male and female on consumer's decision to purchase since female is delicate relative to male.

Ninth, age is expected to have a positive relationship on consumer's decision to purchase Caffe MuanChon as age increases, most people are generally adults and start working, they may have more chances to purchase Caffe MuanChon.

Tenth, income is expected to have a negative relationship on consumer's decision to purchase Caffe MuanChon. As prices of Caffe MuanChon are affordable, people who have higher income levels will have the ability to pay more in order to consume expensive products and have many choices than people who have lower income as if income increases, they may not make decisions to purchase.

Eleventh, education is expected to have a positive relationship on consumer's decision to purchase Caffe MuanChon. Assuming lower than undergraduate is a reference group, undergraduate level (Edu1) and higher than undergraduate level (Edu2) should have the difference of purchase decision more than lower undergraduate level as most people generally start working, they will have more chances to purchase Caffe MuanChon and lower undergraduate level may not dare to purchase Caffe MuanChon because of the level knowledge can be different relative to others.

Twelfth, occupation is expected to have both positive and negative relationship for each dummy variable on consumer's decision to purchase Caffe MuanChon and occupation is also expected to have a difference among each occupation. Assuming the student is a reference group, Positive relation for office workers (Occ1), government officers (Occ2) and entrepreneurs (Occ3) should have the difference of purchase decision more than student as the prices are affordable and most shops are located around commercial districts. On the other hand, negative relation for husband or housewife (Occ4) should have the difference of purchase decision lower than students as they may spend time at home more than outside.

Chapter 5

Data Analysis

5.1 Data Collection

The target of the population for this research is people who know and who used to consume and also people who are in Bangkok Metropolitan Area. According to the amount of population, the population of people who know Caffe MuanChon and people who live in the Bangkok Metropolitan Area are unknown. The formula that can be used for calculating the approximate sample is Cochran's formula, the formula is shown below. (Cochran, 1997)

$$n_0 = \frac{z^2 pq}{e^2} = \frac{(1.96^2)(0.5)(0.5)}{0.05^2} \approx 385 \text{ samples}$$

Where n_0 is sample size, z is the abscissa of the normal curve that cuts off an area α at the tails, p is the estimated proportion of an attribute that is present in the population, and q is $1-p$ and e is the desired level of precision.

As the population is unknown, assuming p is 0.5 then q is $(1-p)$ that equals 0.5, the value for z is found in statistical tables equal to 1.96 and e equals 0.05. The result shows that the sample size is around 385 samples.

Form collecting data, the total data is 293 samples as of the limitation of time. Thus, the data used for this research is only just 205 samples as the rest is some error from collecting data that does not fit with the scope of population.

For sample strategy, using snowball and convenience sampling through population to get people who know Caffe MuanChon and used to consume Caffe MuanChon and also specify people who live in Bangkok Metropolitan Area. Moreover, there are some screening questions in order to collect the useful data from the population and fit with the scope of the population.

The data are collected by using self-collected survey data through Google forms via social media. According to the survey, a questionnaire can be separated into five parts and the questionnaire also consists of closed-ended questions and multiple choices.

1. Screening questions are the questions that are constructed in order to check whether the respondents fit with the scope of population or not.
2. General information about demographic data which are gender, age, income (per month), education and occupation that are answered by multiple choices.
3. Information about customer's buying behavior of Caffe MuanChon answered by multiple choices and checklists.
4. Information about customer's attitude about the marketing mix of Caffe Muanchon. The questions that ask about product, price, place, promotion, people, physical evidence and process in order to know their attitudes that are measured by Likert scale.
5. Consumer's attitude about purchase decisions of Caffe MuanChon .The questions ask about their attitudes in the aspect of purchasing decisions that are measured by Likert scale.

The measurement of attitude level is Likert Scale that divides into 5 levels, the scales are shown in the table below.

Table 2 Show and indicate score criterion of attitude level and purchase decision level using in the questionnaire.

| Attitude / Purchase decision levels | Score |
|---|--------------|
| Strongly agree / Definitely purchase | 5 |
| Agree / Purchase | 4 |
| Neutral | 3 |
| Disagree / Probably not purchase | 2 |
| Strongly disagree / Definitely not purchase | 1 |

From using Likert scales, it can be interpreted as the result from calculating range. The range formula is shown below.

$$\begin{aligned}
 Interval &= \frac{Range}{Number\ of\ classes} \\
 &= \frac{5 - 1}{5} \\
 &= 0.8
 \end{aligned}$$

Thus, the result can be interpreted following the interval, the table below shows criterion of interpreting attitude.

Table 3 Interpretation of each score interval

| Attitude / Purchase decision levels | Score interval |
|---|-----------------------|
| Strongly agree / Definitely purchase | 4.21 - 5.00 |
| Agree / Purchase | 3.41 – 4.20 |
| Neutral | 2.61 – 3.40 |
| Disagree / Probably not purchase | 1.81 – 2.60 |
| Strongly disagree / Definitely not purchase | 1.00 – 1.80 |

To analyze the data, using both descriptive statistics and inferential statistics to analyze 205 samples are as follows:

1. **Descriptive statistics** which are percentage, minimum, maximum, mean and standard deviation in order to analyze general information which is gender, age, income (per month), education and occupation and to analyze information about consumer's buying behavior.
2. **Inferential statistics** which is multiple linear regression in order to examine the impact and relationship between variables and purchasing decisions.

5.2 Basic Statistics

From collecting data, the tables and figures below show all statistics that describe by using descriptive statistics which are percentage, minimum, maximum, mean and standard deviation. Thus, the basic statistics can be divided into 5 parts.

Part 1: Show the statistic from the screening questions*Table 4 Show the amount and proportion of people who live in the Bangkok Metropolitan Area and people who do not.*

| | Amount | Proportion (%) |
|---|---------------|-----------------------|
| Living in the Bangkok Metropolitan Area | 286 | 97.6 |
| Not living in the Bangkok Metropolitan Area | 7 | 2.4 |
| Total | 293 | 100 |

From the data in table 4 shows that the respondents who live in the Bangkok Metropolitan Area is 97.6 percent and 2.4 percent is the rest which is the respondents who do not live in the Bangkok Metropolitan Area.

Table 5 Show the amount and proportion of people who know Caffe MuanChon and people who don't know.

| | Amount | Proportion (%) |
|---------------------------|---------------|-----------------------|
| Know Caffe MuanChon | 259 | 88.4 |
| Don't know Caffe MuanChon | 34 | 11.6 |
| Total | 293 | 100 |

From the data in table 5 shows that the respondents who know Caffe MuanChon is 88.4 percent and the respondents who don't know Caffe MuanChon is 11.6 percent.

Table 6 Show the amount and proportion of people who used to consume Caffe MuanChon and people who have never consumed Caffe MuanChon.

| | Amount | Proportion (%) |
|-------------------------------------|---------------|-----------------------|
| Respondents who used to consume | 205 | 79.2 |
| Respondents who have never consumed | 54 | 20.8 |
| Total | 259 | 100 |

From the data in table 6 shows that respondents who used to consume Caffe MuanChon is around 79.2 percent and respondents who have never consumed Caffe MuanChon is around 20.8 percent.

Part 2: Show the statistics from the general information.

Table 7 Show the amount and proportion of demographic factors which are gender, age, income, education and occupation of respondents who used to consume Caffe MuanChon.

| Variables | Amount | Proportion (%) |
|------------------------------------|---------------|-----------------------|
| Gender | | |
| Male | 79 | 38.5 |
| Female | 126 | 61.5 |
| Total | 205 | 100 |
| Age | | |
| Lower than 22 years | 25 | 12.2 |
| 22 – 32 years | 85 | 41.5 |
| 33 – 43 years | 44 | 21.5 |
| 44 – 54 years | 37 | 18 |
| Higher than 54 years | 14 | 6.8 |
| Total | 205 | 100 |
| Income (per month) | | |
| Lower than or equal to 15,000 baht | 41 | 20 |
| 15,001 – 25,000 baht | 53 | 25.9 |
| 25,001 – 35,000 baht | 45 | 22 |
| 35,001 – 45,000 baht | 37 | 18 |
| Higher than 45,000 | 29 | 14.1 |
| Total | 205 | 100 |
| Education | | |
| Lower than undergraduate | 38 | 18.5 |
| Undergraduate | 135 | 65.9 |
| Higher than undergraduate | 32 | 15.6 |
| Total | 205 | 100 |

Table 7 (Cont.)

| Variables | Amount | Proportion (%) |
|---------------------|--------|----------------|
| Occupation | | |
| Student | 21 | 21 |
| Office worker | 98 | 47.8 |
| Government officer | 22 | 10.7 |
| Entrepreneur | 25 | 12.2 |
| Husband / housewife | 17 | 8.3 |
| Total | 205 | 100 |

From the data of table 7 shows that 61.5 percent of respondents are female and 38.5 percent of respondents are male. Age of most respondents is 22 to 32 years old. For education, most of respondents study at undergraduate level and also earn income per month around 15,001 to 25,000. Moreover, 47.8 percent of respondents' occupation is office workers.

Table 8 Show the amount and proportion of demographic factors which are gender, age, income, education and occupation of respondents who have never consume Caffe MuanChon.

| Variables | Amount | Proportion (%) |
|----------------------|--------|----------------|
| Gender | | |
| Male | 13 | 24.1 |
| Female | 41 | 75.9 |
| Total | 54 | 100 |
| Age | | |
| Lower than 22 years | 35 | 64.8 |
| 22 – 32 years | 3 | 5.5 |
| 33 – 43 years | 7 | 13 |
| 44 – 54 years | 9 | 16.7 |
| Higher than 54 years | 0 | 0 |
| Total | 54 | 100 |

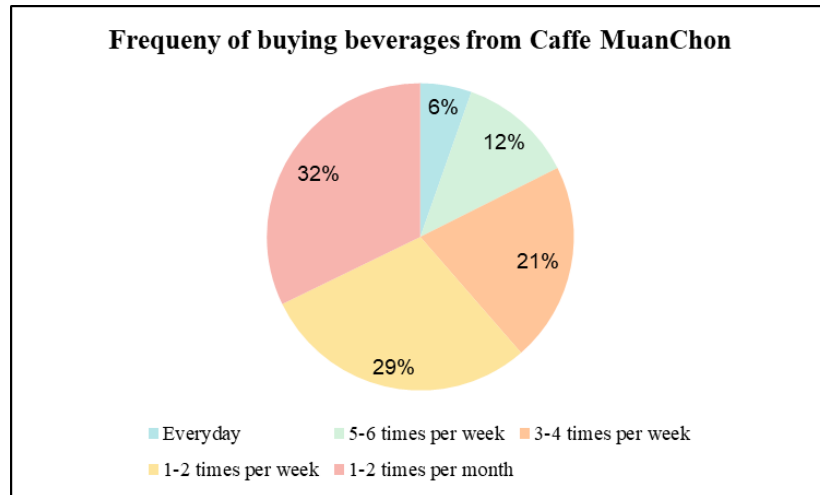
Table 8 (Cont.)

| Variables | Amount | Proportion (%) |
|------------------------------------|---------------|-----------------------|
| Income (per month) | | |
| Lower than or equal to 15,000 baht | 16 | 29.6 |
| 15,001 – 25,000 baht | 17 | 31.5 |
| 25,001 – 35,000 baht | 7 | 13 |
| 35,001 – 45,000 baht | 4 | 7.4 |
| Higher than 45,000 | 10 | 18.5 |
| Total | 54 | 100 |
| Education | | |
| Lower than undergraduate | 6 | 11.1 |
| Undergraduate | 42 | 77.8 |
| Higher than undergraduate | 6 | 11.1 |
| Total | 54 | 100 |
| Occupation | | |
| Student | 12 | 22.2 |
| Officer worker | 24 | 44 |
| Government officer | 6 | 11.1 |
| Entrepreneur | 10 | 16.7 |
| Husband / housewife | 2 | 3.7 |
| Total | 54 | 100 |

From the data in table 8 shows that most respondents who have never consumed Caffe MuanChon are female around 79.5 percent and the rest is male around 24.1percent. Age of most respondents is lower than 22 years old and they study at undergraduate level around 64.8 percent. Moreover, most of the respondents who have never consumed Caffe MuanChon are students around 22.2 percent.

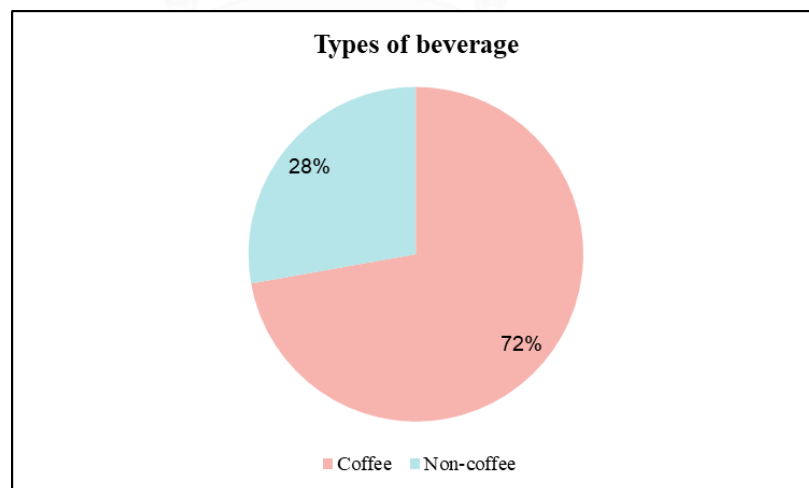
Part 3: Show information about customer's buying behavior of Caffe MuanChon

Figure 6 Frequency of buying beverages



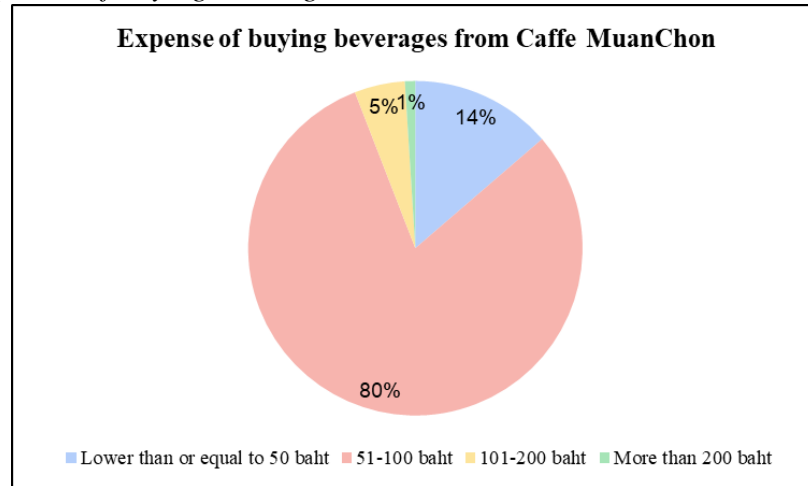
From figure 6 shows that most respondents buy beverages from Caffe MuanChon 1-2 times per month around 32 percent out of all respondents. Second, respondents buy beverages from Caffe MuanChon 1-2 times per week around 29 percent. Lastly is respondents who buy beverages from Caffe MuanChon everyday only 6 percent out of all respondents.

Figure 7 Types of beverages



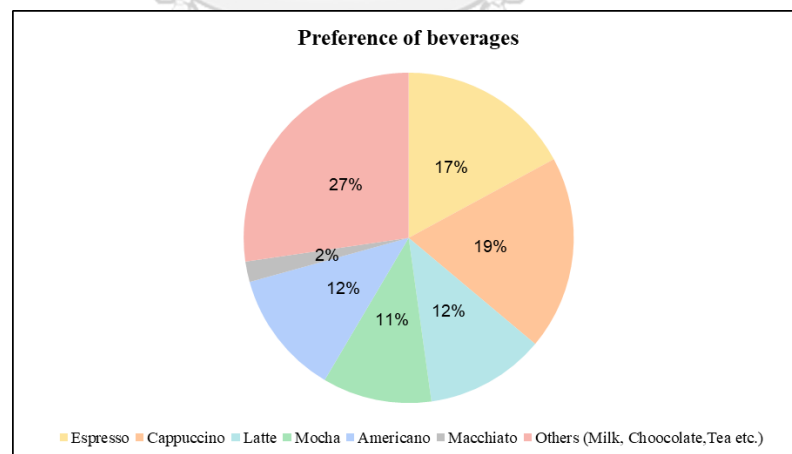
From figure 7 shows that most respondents consume coffee around 72 percent out of all respondents and the rest of respondents who do not consume coffee is around 28 percent.

Figure 8 Expenses of buying beverages



From figure 8 shows that most respondents pay expenses of beverages from Caffe MuanChon 50 to 100 baht per time around 80 percent. Second, respondents who pay expenses equal to or lower than 50 baht around 14 percent. Lastly, respondents who pay expenses more than 200 baht is around 1 percent out of all respondents.

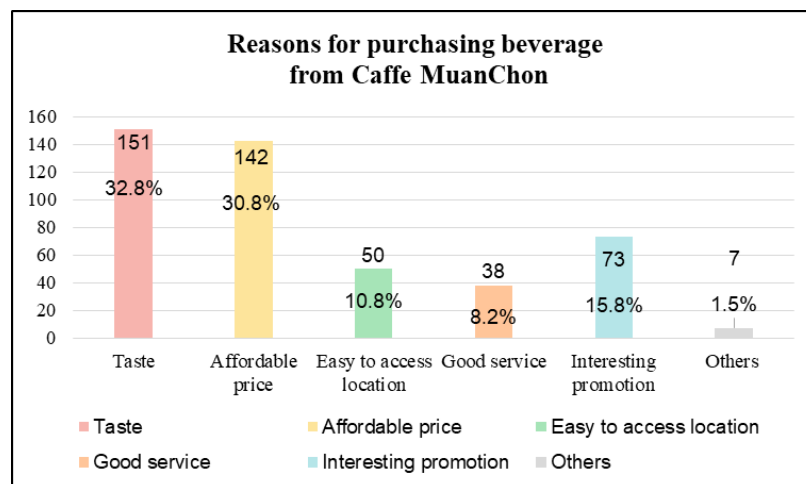
Figure 9 Preference of beverages



From figure 9 show that in the aspect of coffee consumer, most respondents who prefer to buy Cappuccino from Caffe MuanChon is around 19 percent. Second, respondents prefer to buy Espresso around 17 percent. Third and fourth are respondents who prefer to buy Americano and Latte around 12 percent. Fifth, respondents who

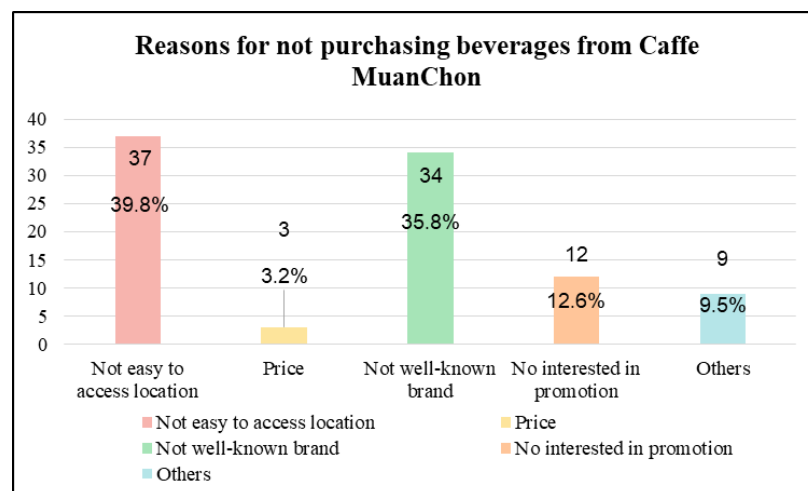
prefer to buy Mocha are around 11 percent and last is respondents who prefer to buy Macchiato just only 1 percent. In addition, the rest is respondents who not prefer coffee but prefer others such as milk, chocolate and tea around 27 percent out of all respondents.

Figure 10 Reasons for purchasing beverage from Caffe MuanChon



From figure 10 shows reasons of respondents who used to consume Caffe MuanChon that most respondents purchase beverages from Caffe MuanChon because of taste around 32.8 percent, affordable price around 30.8 percent, interesting promotion around 15.8 percent, easy to access around 10.8 percent, good service around 8.2 percent and last is others in terms of suitable time and accident around 1.5 percent.

Figure 11 Reasons for not purchasing beverage from Caffe MuanChon



From figure 11 shows reasons of respondents who have never consume Caffe Muanchon that most respondents don't purchase beverages from Caffe Muanchon because of not easy to access around 39.8 percent, not well-known brand 35.8 percent, no interested in promotion around 12.6 percent , price around 3.2 percent and others in terms of non-coffee consumer around 9.2 percent .

Part 4: Tables show the statistics from the information about customer's attitude about the marketing mix of Caffe Muanchon.

Table 9 Show the minimum, maximum, mean and standard deviation of marketing mix factors which are product, price, place, promotion, people, physical evidence and process.

| Variables | Min | Max | Mean | SD |
|---|------------|------------|-------------|-----------|
| Product | 1.5 | 5 | 4.07 | 0.61 |
| Taste of beverages | 1 | 5 | 4.35 | 0.70 |
| Quality of beverages | 1 | 5 | 4.26 | 0.76 |
| Well-known brand | 2 | 5 | 3.76 | 0.76 |
| Variety of beverages relative to other brands | 2 | 5 | 3.92 | 0.80 |
| Price | 2.5 | 5 | 4.30 | 0.45 |
| Affordable price | 2 | 5 | 4.57 | 0.61 |
| Prices are cheaper relative to other brands. | 2 | 5 | 4.28 | 0.68 |
| Prices are valuable relative to sizes of beverages. | 1 | 5 | 4.28 | 0.67 |
| There is a discount with a condition such as bring your individual flask. | 1 | 5 | 4.09 | 0.86 |
| Place | 2 | 5 | 3.96 | 0.57 |
| There are many branches. | 1 | 5 | 3.56 | 0.81 |
| Opening hour is suitable. | 2 | 5 | 4.26 | 0.80 |
| Outstanding label | 2 | 5 | 4.05 | 0.63 |

Table 9 (Cont.)

| | | | | |
|---|------|---|------|------|
| Promotion | 1 | 5 | 3.72 | 0.63 |
| There are various promotions. | 1 | 5 | 3.75 | 0.79 |
| There are many channels of advertising such as website and social media (Line, Facebook, Instagram) | 1 | 5 | 3.43 | 0.74 |
| There are interesting promotions such as vouchers, loyalty cards and premium. | 1 | 5 | 3.97 | 0.97 |
| People | 1.67 | 5 | 4.13 | 0.66 |
| Staff are gentle and have good manners. | 2 | 5 | 4.19 | 0.72 |
| Staff are omniscient in terms of product. | 2 | 5 | 4.11 | 0.71 |
| Staff are service-minded. | 2 | 5 | 4.10 | 0.59 |
| Physical Evidence | 1.25 | 5 | 3.91 | 0.67 |
| Good atmosphere | 1 | 5 | 3.89 | 0.78 |
| Beautiful decoration | 1 | 5 | 3.80 | 0.79 |
| The area around the shops are clean. | 1 | 5 | 4.25 | 0.79 |
| There are some facilities such as wifi. | 1 | 5 | 3.70 | 0.81 |
| Process | 2.5 | 5 | 4.18 | 0.44 |
| Easy to order beverages | 2 | 5 | 4.27 | 0.62 |
| Fastness of service | 2 | 5 | 4.14 | 0.63 |
| The process of making beverages is standardized. | 2 | 5 | 4.17 | 0.65 |
| The beverages can be customized such as sweetness. | 2 | 5 | 4.13 | 0.66 |

From the data in table 9 shows that price is the most agreeable factor as average weight of attitude approximates 4.30 which means strongly agree. Second is process, average weight of attitude approximates 4.18 which means agree. Third is people, average weight of attitude approximates 4.13 which means agree. Next, product, place, physical evidence and promotion respectively. Then, considering elements of each marketing mix factors in order to examine the details of each marketing mix factors that can be divided into 2 types. First is the most agreeable elements of each marketing mix factors and second is the less agreeable elements of each marketing mix factors.

For the most agreeable element of each marketing mix factors, first is price in terms of affordable price about 4.57 which means strongly agree. Second is product in terms of taste of beverages about 4.35 which means strongly agree. Third is process in terms of easy to order beverages about 4.27 which means strongly agree. Fourth is place in terms of suitable opening hours about 4.26 which means strongly agree. Fifth is physical evidence as the area around the shops are clean about 4.25 which means strongly agree. Sixth is people as staff are gentle and have good manners about 4.19 which means agree and the last is promotion in terms of interesting promotions such as voucher, loyalty card and premium about 3.97 which means agree.

For the less agreeable elements of each marketing mix factors, first is promotion in terms of channels of advertising about 3.43 which means agree. Second is place in terms of many branches about 3.56 which means agree. Third is physical evidence in terms of facilities about 3.70 which means agree. Fourth is product in terms of well-known brand about 3.76. Fifth is price in terms of discount about 4.09 which means agree. Sixth is people in terms of service-minded about 4.10 which means agree and the last is process as the beverages can be customized about 4.13 which means agree.

Part 5: Table shows the statistics from consumer's attitude about purchase decisions of Caffe MuanChon.

Table 10 Decision to purchase Caffe MuanChon next time

| Variable | Min | Max | Mean | SD |
|---|-----|-----|------|------|
| Decision to purchase Caffe MuanChon next time | 1 | 5 | 4.18 | 0.77 |

From the data in table 10 shows the decision to purchase Caffe MuanChon, most respondents agree to purchase Caffe MuanChon next time from calculating average as the score interval of attitude is about 4.18.



5.3 Empirical Result

Table 11 Regression result

| Variables | OLS I | OLS II | OLS III | OLS IV |
|--------------------|----------------------|----------------------|----------------------|----------------------|
| Constant | 0.706 (1.915) | 0.765 ** (2.044) | 0.854 ** (2.369) | 0.613 * (3.503) |
| Product | 0.304 *** (2.928) | 0.362 *** (3.701) | 0.299 *** (2.782) | 0.334 *** (3.484) |
| Price | 0.221 * (0.760) | 0.249 ** (2.270) | 0.246** (2.160) | 0.219 ** (2.029) |
| Place | -0.202 * (-1.927) | -0.136 (-1.372) | -0.084 (-1.061) | |
| Promotion | 0.079 (0.769) | | | |
| People | 0.126 (1.152) | | | |
| Physical evidence | 0.309*** (2.776) | 0.358 *** (4.135) | 0.357 *** (4.108) | 0.322 *** (3.895) |
| Process | -0.015 (-0.138) | | | |
| Gender | -0.116 (-1.246) | | | |
| Age | 0.009 (1.543) | | | |
| Income | -0.000 (-1.500) | | | |
| Education 1 | 0.035 (0.345) | | | |
| Education 2 | 0.128 (1.139) | | | |
| Occupation 1 | 0.109 (0.742) | | | |
| Occupation 2 | 0.102 (0.540) | | | |
| Occupation 3 | 0.029 (0.119) | | | |
| Occupation 4 | -0.224 (-0.9395) | | | |
| Adjusted R-squared | 0.351 | 0.352 | 0.332 | 0.350 |
| Observation | 205 | 205 | 205 | 205 |

Notice: * indicates at 10% significance level

** indicates at 5% significance level

*** indicates at 1% significance level

From table 11 represents the results of each model that can be divided into 3 models. For Model I shows that 4 independent variables are significant which are product, price, place and physical evidence. The highest coefficient is physical evidence around 0.309 as at 1 percent significance level, physical evidence has impact on decision to purchase. Second is product that also has high coefficient around 0.304 as at 1 percent significance level, product also has impact on decision to purchase. Third, price has a coefficient around 0.221. At 10 percent significance level, price has an impact on decision to purchase. Lastly, place has a coefficient around -0.202. At 10 percent significance level, place has an impact on decision to purchase. On the other hand, demographic factors and some marketing mix factors which are promotion, people and process have no impact on decision to purchase. The adjusted R-squared is about 0.351 or 35.1 percent which means dependent variable can be explained by independent variables around 35.1 percent but remains 64.9 percent unexplained.

Model II is shown after omitting variables that insignificance, from the result shows that there are only 3 significant variables. Physical evidence, product and price are similar to Model I excepting place that is insignificant but price is more significant at 5 percent significance level. Moreover, when examining the model, there is a problem of heteroscedasticity but there is no problem of multicollinearity. The adjusted R-squared is about 0.352 or 35.2 percent which means dependent variable can be explained by independent variables around 35.2 percent but remains 64.8 percent unexplained.

Model III is shown after solving the problem of heteroscedasticity, the result shows that physical evidence, product and price are always significant and especially both product and price have positive relation with the decision to purchase Caffe MuanChon as expected except for place because of insignificance. First, the highest coefficient is physical evidence around 0.357. At 1 percent significant, physical evidence has an impact on decision to purchase which means if each additional attitude

of physical evidence increases by 1 point, the attitude of decision to purchase Caffe MuanChon will increase by 0.357 point. Second, the product has a coefficient around 0.299. At 1 percent significance level, product has an impact on decision to purchase which means if each additional attitude of product increases by 1 point, attitude of decision to purchase Caffe MuanChon will increase by 0.299 point. Lastly, price has a coefficient around 0.246. At 5 percent significance level, price also has an impact on decision to purchase which means if each additional attitude of price increases by 1 point, the attitude of decision to purchase Caffe MuanChon will increase by 0.246 point. Thus, there are no problems of heteroscedasticity and multicollinearity and there is great evidence to infer that the model is valid as p-value equals 0.000. Moreover, the adjusted R-squared is about 0.332 or 33.2 percent which means dependent variable can be explained by independent variables around 33.2 percent but remains 66.8 percent unexplained.

Model IV is shown after omitting a place that is insignificant from Model II, it shows that even omitting place, coefficients of other variables and the adjusted R-squared do not change much relative to Model II. The results also show that Model IV is 0.350 and Model II is 0.352. However, this model still has a problem of heteroscedasticity.

Finally, even the adjusted R-squared of Model II and Model III is trivial different, Model III is no problem of heteroscedasticity.

Chapter 6

Conclusion and Policy Implication

From distributing the survey through social media, samples are people who know and used to consume Caffe MuanChon and specify people who live, work or study in the Bangkok Metropolitan Area. Period of time for collecting data around 10 days (18 – 28 June), the useful samples is 205 out of 293 samples.

The result can be summarized into 4 aspects which are demographic information, consumer's behavior from purchasing Caffe MuanChon, factors that affect consumer's purchase decision of Caffe MuanChon and lastly is policy implication.

First is demographic information, the result of the study shows that most respondents are female about 61.5 percent and age starts from 22 to 32 years old around 41.5 percent. Moreover, it shows that most respondents earn income 15,001 to 25,000 per month approximately 25.9 percent and study at undergraduate level around 65.9 percent. At last, most respondents work as office workers around 47.8 percent out of all samples.

Second is consumer's behavior from purchasing Caffe MuanChon, the result of the study shows that most respondents who know and used to consume Caff MuanChon buy beverages 1-2 time per month about 32 percent out of all samples and also account for coffee consumer around 72 percent, the rest is non-coffee consumer. The respondents mostly pay for beverages 51 to 100 baht around 80 percent and most favorite beverage is cappuccino. In addition, the reasons that the respondents purchase beverages from Caffe MuanChon can be divided into 7 main reasons which are taste around 32.8 percent, affordable price around 30.8 percent, interesting promotion around 15.8 percent, well-known brand around 11.7 percent, easy to access around 10.8 percent, good service around 8.2 percent and others in terms of suitable opening hour around 1.5 percent respectively.

However, there are some reasons from the respondents who have never consume Caffe MuanChon before that can be divided into 5 main reasons which are not easy to access location around 39.8 percent, not well-known brand around 35.8

percent, no interested in promotion 12.6 percent , others in term of non-coffee consumer around 9.5 percent and price around 3.2 percent.

Third is and factors that affecting consumer's purchase decision of Caffe MuanChon, the result from regression shows demographic factors have no impact on decision to purchase but some marketing mix factors have impact on decision to purchase which are physical evidence, product and price respectively because of their coefficients are rather high and also significance relative to others.

Physical evidence shows that if shops are beautifully decorated including coffee aroma, atmosphere and environment that can attract consumer's satisfaction. Moreover, several facilities such as wifi, magazine and relaxing area, consumers will enjoy visiting and purchasing beverages. For product shows that consumer's decision to purchase Caffe MuanChon depends on taste of beverages, quality of beverage, variety of beverages and brand. For price shows that if price is affordable, consumers are willing to purchase. Besides, if price is cheaper relative to other brands including price is valuable relative to sizes and also has some discounts. These things will attract more various classes of consumer.

In conclusion, Caffe MuanChon should focus more on marketing mix which are product, price and physical evidence which are significant factors. This study especially emphasizes on product and price. The policy implication can be suggested as follows:

First is product, Caffe MuanChon should publicize more in terms of brand as from surveying responses of consumers, it seems that part of consumers don't know the brand and another part even they know the brand but they have never consumed it before. In addition, the shop should focus on more beverage appearance and decoration in order to allure consumer's interest, increase value of product and increase ability in the aspect of competition because nowadays people tend to prefer taking photos and updating their photos through social media such as Instagram and Facebook etc. In particular, the shop should always keep the standard of taste and quality of beverages for every branch such as setting up tests for examining staff skills. However, variety of beverages is also important as consumers have different preferences, for example, the

shop should launch seasonal beverages or trended beverages that also target consumer's interest and induce consumer's purchasing decision.

Second is price as the price is the important thing that consumers consider and compare to other brands before making the decision to purchase something. Caffe Muanchon should focus on setting prices even though its price is still affordable around 29 to 60 baht. For example, setting more variety of prices in order to increase additional choices for consumers and persuade various classes of consumer. Normally, consumers will compare the values that they have to pay to sizes and also quality relative to others. Besides, the shop should have several channels of payment that make consumers more convenient and should have some more discounts with some conditions such as discount relating with channels of payment, discount relating with menu of beverages and discount relating with season etc. Thus, if consumers are convinced, they will make the decision to purchase then the shop will sell more and have the ability to compete with others.

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