THE FACTORS THAT INFLUENCES CONSUMER BUYING BEHAVIOR TOWARDS TO CAR IN C-SEGMENT IN BANGKOK

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ABSTRACT

An automotive business industry in Thailand has shown significant growth over year by year. A car in c-segment has been successful in this business, most of the car brands in the world has a car in c-segment in their owns production line. It's neccesorry to find out what is the factors that influence consumer buying bahavior towards to car in c-segment. Every car brand or dealers can be able to use this research results to adapt and improving their business to make all customers satisfy in their own brand and product for gain more awareness and sales.

The results of the finding will be broken down into two topics; product and promotion. Most of consumer concerns in product design and quality of product and in term of promotion, a consumer always compare a promotion from brand to brand and find out which one is valuable for them. Maintaining a product and promotion are important for every car brand to stimulas new customer and existing consumer to re-purchase a car in their brand or in a car in c-segment.

In conclusion, this research study will be benefits to all automotive companies by enhancing their understanding of consumer insights and using them to evaluate marketing and product strategies relating to car in c-segments.

KEY WORDS: Consumer Behavior / Car / C-segment / Passenger car / Automotive

38 Pages

CHAPTER I
INTRODUCTION

1.1 Introduction

Nowadays, automotive industry in Thailand was indicated growth year by year. Thailand is one of the biggest automotive production bases in ASEAN, with the largest amount of vehicle assembly in the region. The Board of Investment of Thailand also known as BOI said "Thailand is in a superb location for automotive, due to its strategic location at the center of Southeast Asia, a large pool of skilled labor at an affordable cost, excellent infrastructure, as well as strong government support" (The Board of Investment of Thailand's report, 2012)

Thailand has a good opportunity to increasing a number of vehicle production in the future, Many leading automotive firms from Japan plan to increase investment in capacity, in the mid of year 2013, Toyota Motors open the new plant by invested in USD400 million in Chachoensao province. Honda plans to build a new plant in Prachinburi province with an investment cost about USD1100 million; the new plant will be open in year 2015. Nissan Motor also plans to invest about USD500 million to expanding the factory and it will be opening in year 2014. Mazda has decided to invest almost USD375 million to open a transmission plant in Chonburi province near the Auto Alliance Thailand or AAT plant in Rayong province. Not only Japanese's firms but Chinese's firm also interested in an investing in Thailand, China SAIC Motor Corporation has joint venture with Thailand's Charoen Pokphand Group also known CP to establish a 50,000 unit assembly plant of British MG Cars in Thailand. (Thailand Automotive Industry's Report, 2014)
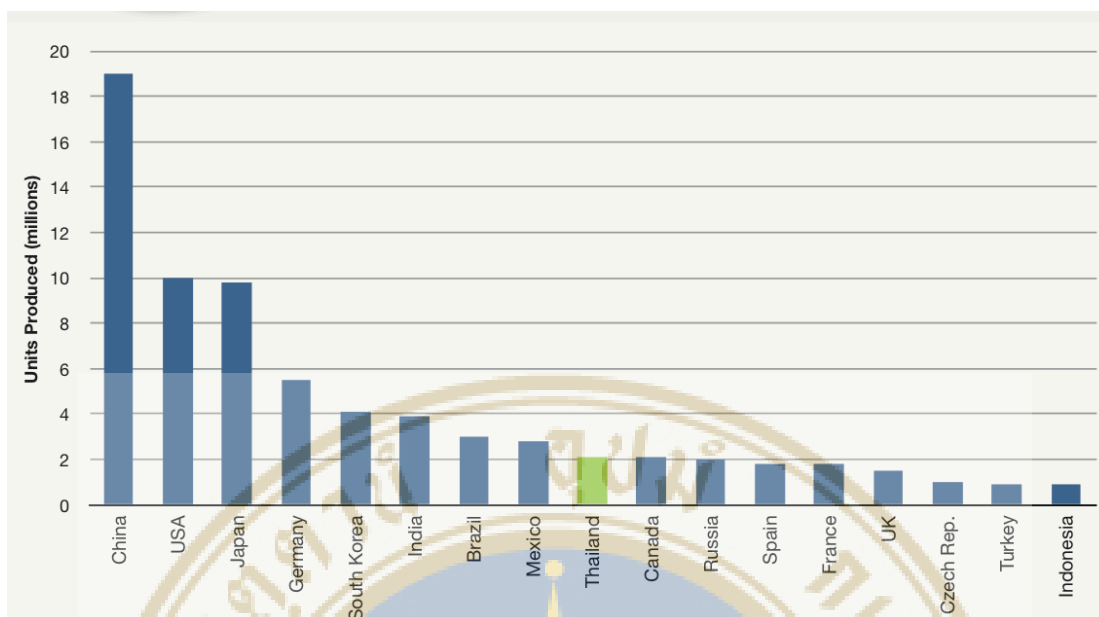
Figure 1.1 Global Automotive Productions, 2012 Source: International Organization of Motor Vehicle

The information from International Organization of Motor Vehicle shows that Thailand was ranked in 9th among automotive manufacturing countries in the world, with 2.45 million of vehicles manufactured in Thailand in 2012, 68% higher than 2011. (Figure 1.1) Related to Dr. Patima Jeerapaet, the President of Thailand Automotive Institute said, "Thailand is a global green automotive production base, which in year 2012 was ranked in 9th highest in terms of automotive production in the world. Automotive manufacturers from around the world have increased their investment in Thailand because they realize that we have existing strong supply chains, acceptable skilled human resources, as well as significant investment support from BOI"
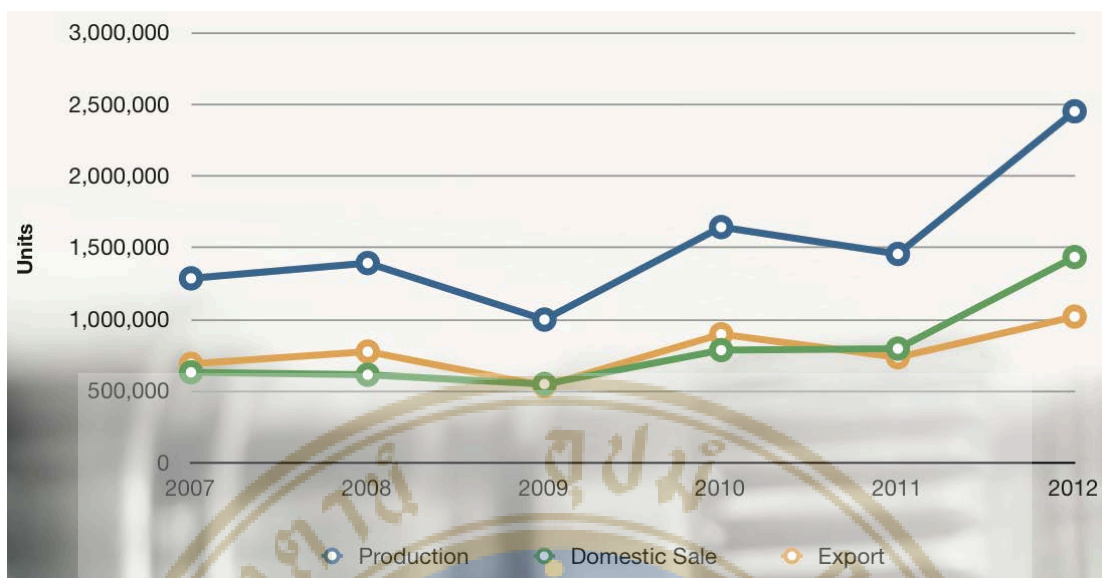
Figure 1.2 Thailand's Automotive Industry Growth, 2007 to 2012 Source: Thailand Automotive Institute

Table 1.1 Top ten Thailand's vehicle Export Destinations in 2012 Source: The Ministry of Commerce

Country	Value (million US$)	%
Australia	3,840	16.3%
Indonesia	3,090	13.1%
Japan	1,708	7.2%
Malaysia	1,627	6.9%
Saudi Arabia	1,288	5.5%
Philippines	1,025	4.3%
Arab Emirates	688	2.9%
South Africa	637	2.7%
Oman	537	2.3%
Brazil	482	2.0%
Total	14,922	63%

The report from Thailand Automotive Institute also said in year 2012, Thailand were produce a vehicle about 2.45 million by 60% came from the inside country demands and 40% were export to international. (Figure 1.2) The tops of export destinations for Thai automotive firms are Australia and Indonesia; the first ranked is Australia has value at 3,840 million US Dollar or 16.3% and the second is

Indonesia at 3,090 million or 13.1%, or US Dollar the both countries are the major destinations of Thai-manufactured automotive products. (Figure 1.3)

Table 1.2 Thailand's Motor Vehicle Production by unit 2007 to 2008 Source: Thailand Automotive Institute

	2007	2008	2009	2010	2011	2012	Change 2011-2012
Passenger Car	315,444	401,474	313,442	554,387	537,987	957,623	78%
Commercial Car (exclude one-ton pickup)	23,522	17,780	15,202	24,158	20,608	43,842	62%
One ton pickup	948,380	974,775	670,734	1,066,759	899,200	1,452,252	113%
Total	1,287,346	1,394,029	999,378	1,645,304	1,457,795	2,453,717	68%
Y-O-Y Growth (%)		8%	-28%	65%	-11%	68%	

Thailand Automotive Institute also shows the number of production which categorize as 3 types of vehicle; Passenger Car, Commercial Car (exclude one-ton pickup) and One ton pickup. In year 2012, the number of one-ton pickup is the most produced vehicle than the others and respectively follows by passenger car and commercial car. The percent of growth in year 2012 of Passenger car is about 78% compare to year 2011. (Figure 1.4)

According to Department of Land Transport or DLT informs the statistics of a new car registration in year 2013, which the number of a new car was register in the DLT system is 3,513,491 such as a passenger car at 923,899 or 26.30% and Motorcycle is 2,121,977 or 60.40% of car that register in the DLT system. Even though the Passenger Car is just 26.30% of all amount but Passenger car it seems like interest car type because one ton pickup were produce for commercial and business logistic but Passenger is produce for sales to customer or end user.

Oxford Dictionaries had given a definition of Passenger as a road vehicle, typically with four wheels, powered by an internal-combustion engine and able to carry a small number of people (Oxford Dictionaries, 2014).

In Passenger Car, there are an a lot of segment inside, defining passenger vehicles by segment is necessary if you're to make an informed buying decision based

on the car's size relative to other makes and models. We can separated the group of car by 6 segments such as; A-segment, B-segment, C-segment, D-segment, E-segment and F-segment. And additional segmentation includes S-segment for sports cars, M-segment for minivans and J-segment for larger SUVs (Auto trend Magazine, 2014). This research will focus in only 6 segments in Passenger car.

European Commission or EC, the executive body of the European Union, They had defined a meaning of 6 Passenger car segmentations: A-Segment is the smallest models on the market; A-segment cars are city cars or called Kei cars in places like Japan. B-Segment is the smallest car lines available. Most major foreign manufacturers sell cars in this segment, which includes the Nissan Versa, Honda Fit or Jazz, Toyota Yaris, MINI Cooper and the Ford Fiesta. C-Segment is compact cars third smallest segment; the size is bigger than A-segment and B-segment. D-Segment is the fourth segment in European market car classification. It approximately corresponds to Mid-size car and Entry-level luxury car segment in North America, or large family car or Compact executive car in British English usage. E-Segment and F Segment; the differences between E-segment and F-segment cars is not always clear. In fact, both are for full size models. E segment generally covers standard cars such as the Buick Lucerne and Ford Crown Victoria or a smaller luxury model such as the BMW 5 Series, while F segment appears to be for large luxury cars such as the BMW 7 Series (European Commission, 2010).

This research will focus on passenger car in c-segment that sale in Thailand in every brand which including Toyota Corolla Altis, Toyota Prius, Honda Civic, Mazda3, Ford Focus, Mitsubishi Lancer EX, MG MG6, Proton Suprema, Proton Preve, Nissan Pulsar, Nissan Sylphy, Nissan Tiida, Chevrolet Cruze, Hyundai Elantra, Subaru Impreza, Mercedes-benz CLA-class, Audi A3, Audi s3, BMW 1 series, Volvo v40, Volkswagen Golf, Volkswagen Beetle and Lexus CT.

This research is interested in the concept of "consumer buying behavior" toward to Passenger car in C-segment in Bangkok. It is very important to understand consumer buying behavior as it impact on sales growth of automotive business. For the most of the people, purchasing a car is the second most important and expensive decision, next to purchase of a house, Vikram Shende, the Senior Manager of Foton Motors Manufacturing India said (International Journal of Scientific and Research

Publications, 2014). The automotive company will be able to study the buying behavior of consumers and with better understanding of customer's perceptions, the automotive companies can determine the actions required to meet the customer needs and narrow down the appropriate ways of communication to consumer.

CHAPTER II

LITERATURE REVIEWS AND PROPOSED FRAMWORKS

2.1 Literature Review

Demographic factor are the most likely factor to influence car purchasing decision, and cover are such as income, education, age, gender, education. Previous research has found that income has a positive impact on the decision to purchase a new car, especially in the high segment. Meanwhile, low income and unemployment correlate negatively to new car purchase (www.bondless.com/economics). Moreover, existing literature indicates that age and gender impact on the car type purchased and consumer preference and reason for purchase every according to consumer groups, (www.drdriving.org).

The marketer E. Jerome McCarthy proposed a four Ps classification in 1960, which has since been used by marketers throughout the world. Marketing Strategies are formulated to provide superior customer value. In formulating market strategies, the 4-ps are directed at the target market (Needham, Dave (1996). 4Ps including Product, Price, Place, Promotion and service.

Product is anything that is offered to the consumer that is tangible and can satisfy a need and has some value. (Kotler, 2012)

Brand name is the creation of an image or the development of a brand identity and is an expensive and time-consuming process. The development of a brand name is an essential part of the process since the name is the basis of a brand's image. Brand name is important for the firm to attract customers to purchase the product and influence repeat purchasing behavior. Consumers tend to perceive the products from an overall perspective, associating with the brand name all the attributes and satisfaction experienced by the purchase and use of the product Kohli and Thakor (1997). Building of brand image is also an important matter for service firms as it is a powerful determinant for products marketing. Keller (1993). Famous brand names can disseminate product benefits and lead to higher recall of advertised benefits than non-

famous brand names (Keller, 2003). There are many unfamiliar brand names and alternatives available in the market place. Consumers may prefer to trust major famous brand names. These prestigious brand names and their images attract consumers to purchase the brand and bring about repeat purchasing behavior and reduce price related switching behaviors (Dr. Hamza, 2011).

According to the Thanasuta (2009), firms use brands to identify and differentiate their products or services from competitors. The commercial importance of brands is undoubtedly evident. Benefits of a great brand include a short-term gain on recognition to long-term competitive advantage on loyalty, which are ultimately translated into revenues and profits. Nevertheless, there are several meanings of ''brand'' depending on whether the focus is on the narrow or broader perspective (Kandapa Thanasuta., 2009). For example, Haigh (2007) has proposed three definitions: ''trademark'' is a logo with associated visual elements, ''brand'' is a trademark with associated intellectual property rights, and ''branded business'' covers the whole organization.

Perfectionist or quality consciousness is defined as an awareness of and desire for high quality products, and the need to make the best or perfect choice versus buying the first product or brand available (Sproles and Kendall, 1986). Product Quality encompasses the features and characteristics of a product or service that bears on its ability to satisfy stated or implied needs. In other words, product quality is defined as "fitness for use" or 'conformance to requirement" (Russell and Taylor, 2006). The studies by Chidambaram and Alfred (2007) suggest that there are few factors, which helps in affecting preference of customers. The study unveiled the important factors which influences as fuel efficiency, brand name, good quality, reasonable and durability. Product Quality encompasses the features and characteristics of a product or service that bears on its ability to satisfy stated or implied needs. In other words, product quality is defined as "fitness for use" or 'conformance to requirement" (Russell and Taylor, 2006).

Price is the amount of money one must pay to obtain the right to use the product. (Kotler, 2012)

Price is probably the most important consideration for the average consumer Cadogan and Foster (2000). Consumers with high brand loyalty are willing

to pay a premium price for their favored brand, so, their purchase intention is not easily affected by price. In addition, customers have a strong belief in the price and value of their favorite brands so much so that they would compare and evaluate prices with alternative brands (Keller, 2003). Consumers' satisfaction can also be built by comparing price with perceived costs and values. If the perceived values of the product are greater than cost, it is observed that consumers will purchase that product. Loyal customers are willing to pay a premium even if the price has increased because the perceived risk is very high and they prefer to pay a higher price to avoid the risk of any change (Yoon and Kim, 2000). Long-term relationships of service loyalty make loyal customers more prices tolerant, since loyalty discourages customers from making price comparison with other products by shopping around. Price has increasingly become a focal point in consumers' judgments of offer value as well as their overall assessment of the retailer (De Ruyter et al., 1999). Price communicates to the market the company's intended value positioning of its product or brand. Price consciousness is defined as finding the best value, buying at sale prices or the lowest price choice (Sproles and Kendall, 1986).

According to Cadogan and Foster (2000), price is probably the most important consideration for the average consumer. Consumers with high brand loyalty are willing to pay a premium price for their favoured brand, so, their purchase intention is not easily affected by price

According to Bucklin *et al.* (1998), price significantly influences consumer choice and incidence of purchase. He emphasized that discount pricing makes households switch brands and buy products earlier than needed. Price is described as the quantity of payment or compensation for something. It indicates price as an exchange ratio between goods that pay for each other. Price also communicates to the market the company's intended value positioning of its product or brand. Price consciousness is defined as finding the best value, buying at sale prices or the lowest price choice (Sproles and Kendall, 1986).

Place or distribution, the goods can be distributed by many channels. These could be retailers, wholesalers, agent or by direct selling. Distribution ourlets play important role in reaching the goals to the consumer. They provide, time, place and possession utilities. Some goods need to be marketed through the channels or the

middleman. Others can be marketed directly by the company to the actual consumer. (Kotler, 2012)

Promotion is the means of changing the attitudes of the consumer, so that it becomes favorable towards the company's product. Various means of promotion are advertising, personal selling, sale promotion and publicity.

A common definition of service quality is that the service should correspond to the customers' expectations and satisfies their needs and requirements (Lovelock, 2010). Richard and Allaway (1993) argued that utilizing only functional quality attributes to explain and/or predict consumers' behavior might be a misspecification of service quality and had low predictive validity. Gronroos (1990) noted that the quality of a service as perceived by customers had three dimensions: functional (or process) dimension, technical (or outcome) dimension, and image. We considered service package to be representing the functional aspects of the actual product offered by the car dealer of sales associates Crosby *et al.'s* (1990). Berry and Gresham (1986) suggested that many successful suppliers differentiate themselves from competitors not only through the offered technical aspects, but through the way in which they offer service.

According to Schroder, G.A (2003), three different levels of the service package were defined. The first level is called basic package, which consists of a one, three or five-year guarantee on the car, excluding the cost of maintenance. The second level is called complete package meaning a one, or five-year guarantee on the car, including the cost of maintenance. The final level distinguished is labeled plus package implying a comprehensive service package consisting of a one, three or five-year warranty on the car, including an exchange guarantee for fuel consumption, a pre-defined trade-in price after one, three or five years, but excluding cost of maintenance. The service component of business is becoming increasingly important for manufacturing companies, which has led many firms to strive towards a greater focus on service offerings (Fang et al., 2008). In order to increase revenue from services, companies are extending their offerings by developing areas such as service agreements, financial services, and consulting. The focus is changing from services related to the product to services that solve customers' problems. The common belief

is that being a service-oriented manufacturer is a competitive advantage in long-term relationships and leads to improved business performance (Fang et al., 2008).

The Researchers suggest that increased service quality can create satisfied customers (i.e. Sawmong and Omar, 2004; Szymanski and Henard, 2001). Also, research has shown that service quality is an essential strategy for winning and retaining customers (Buzzell and Gale, 1987; Danaher, 1997; Ghobadian et al., 1994; Headley and Miller, 1993; Magi and Julander, 1996; Zeithaml, 2000). Indeed, the quality of service seems to be more important than price in differentiating a service firm from its competitors and in fostering customer loyalty (Kandampully and Suhartanto, 2000, 2003). Delivering quality service is thus vital if firms are to increase their market share and profitability.

2.2 Proposed Framework

The purpose of this research is to identify what factors will influence consumer buying behavior towards to car in C-segments in Thailand. These factor include demographic considerations(age, occupation, education levels, income and marital status) and Marketing mix or 4Ps factors(roduct, price, place, promotion, service) The study framework for this study is rendered in Figure 2.1
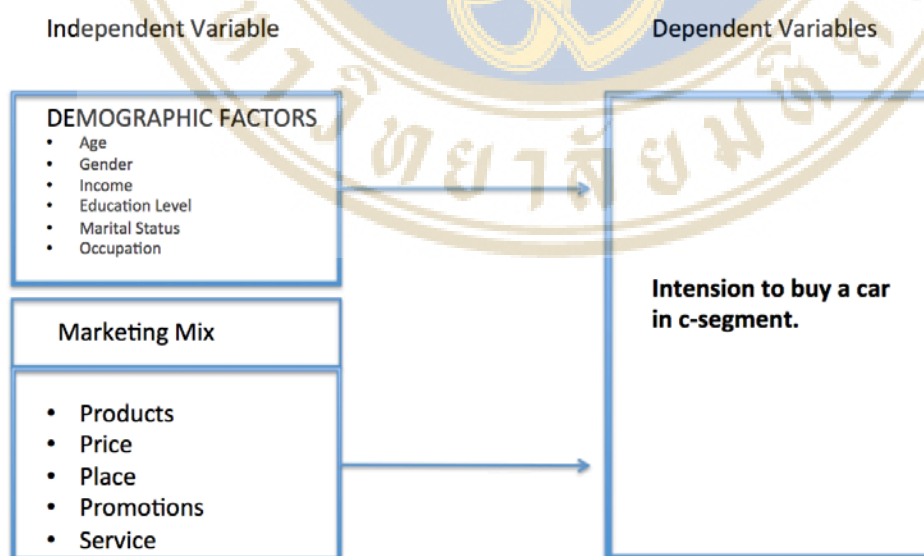
Figure 2.1 Study Framework of consumer's buying behavior towards to car showing independent and dependent variables

CHAPTER III
METHODOLOGY

3.1 Research setting

The research design is a master specifying the methods and procedures for collecting and analyzing the needed information (cooper, 2003) It specifies the framework or the blueprint for the research. This was a descriptive survey study design. According to Donald and Pamela (1998), a descriptive study is concerned with finding out the what, where and how of a phenomenon. The research design and methodology entailed collecting data useful in analysis and coming up with relevant recommendations and conclusions. Mugenda and Mugenda (1999) noted that a survey research attempts to collect data from members of a population and describes existing phenomena by asking individuals about their perception, attitudes, behavior or values. Surveys enabled collection of data from a sizeable population in a highly economical way. The data obtained was standardized, to allow easy comparison. Moreover, it explored the existing status of two or more variables at a given point in time.

The study employed descriptive research design where the respondents were required to describe the consumer behavior towards to c-segment car in Bangkok. This study integrated quantitative methods. A quantitative methodology treated numerical data relevant for this study. The purpose of this research is to identify what factors will influence consumer-buying behavior towards to buy a car in c-segments.

Target population in statistics is the specific population about which information is desired. According to Ngechu (2004), a population is a well defined or set of people, services, elements, and events, group of things or households that are being investigated. The target population of this study comprised of alls the 200 consumers who bought a car in c-segment and also living in Bangkok.

For collecting primary data, structured questionnaire had been used. The convenience sampling method was use to collect the responses from 200 car users. A five-point scale was used to measure the responses against each of the variables considered for the studies. To fill up the questionnaire, respondents were supposed to

mention their choices for each of the variables, using a Five-point Likert's scaling technique (strongly agree, agree, neutral, disagree, and strongly disagree) but the researcher decided to reduce the scale from five to four scale by abandon neutral to reduce the bias from sampling. The score 1 was indicating the option strongly agree, and the score 4 on the scale, shows the category strongly disagree, for all the questions.

For analyze process, the researcher decided to use the factor analysis technique and cross tabulation in SPSS program to define which factors will affect to consumer buying behavior towards to car in c-segment. Factor analysis is used for data reduction and summarization by remove insignificant data
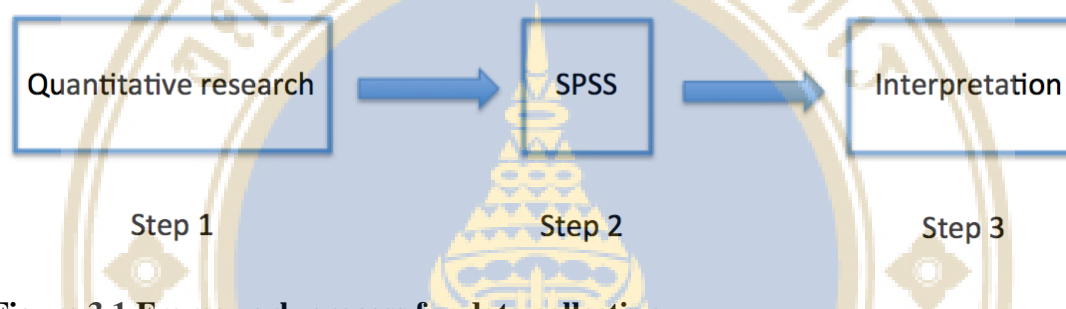
Figure 3.1 Framework process for data collection

Step 1: Quantitative research

A questionnaire containing screening question, general question, specific question and demographic question based on independent variables and one question for dependent variable to find out the intension to buy

Step 2: SPSS

SPSS program will use for analyze quantitative research to summarize and categorize the data by using factor analysis technique, cross tabulation technique and descriptive.

Step 3: Interpretation

The descriptive data will be used to interpret the data and result. The collected data will be converted to statistics.

CHAPTER IV

RESULT OF FINDINGS

The results of the data collected from questionnaire will be view in this part and analyzed according to the proposed framework.

4.1 Reliability

Table 4.1 Reliability

Case Processing Summary

		N	%
Cases	Valid	188	94.0
	Excluded[a]	12	6.0
	Total	200	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items
.767	42

For the first, the researcher checked the reliability of the data from online questionnaire by using SPSS. After collected 200 respondents, the results show that Cronbach's alpha is greater than 0.7 at 0.767 so, this research questionnaire is reliability.

4.2 General Questions

Table 4.2 General Questions, screening question

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	yes	200	100.0	100.0	100.0

For screening question, the researcher asked question to screening a C-segment car owned people for do questionnaire. The result of this question shows the people whom did the questionnaire answered "YES" or 100% people who did the questionnaire are using or owning a car in c-segment. (Table 4.2)

Table 4.3 General Questions, Brand

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Audi	3	1.5	1.5	1.5
	BMW	6	3.0	3.0	4.5
	Chevrolet	9	4.5	4.5	9.0
	Ford	13	6.5	6.5	15.5
	Honda	62	31.0	31.0	46.5
	Lexus	3	1.5	1.5	48.0
	Mazda	17	8.5	8.5	56.5
	Mercedes Benz	4	2.0	2.0	58.5
	Mitsubishi	5	2.5	2.5	61.0
	Nissan	13	6.5	6.5	67.5
	Subaru	2	1.0	1.0	68.5
	Toyota	59	29.5	29.5	98.0
	Volvo	3	1.5	1.5	99.5
	Volkswagen	1	.5	.5	100.0
	Total	200	100.0	100.0	

From 200 respondents who did the questionnaire, the proportion of car brand owner are 31% using a car in c-segment in brand Honda and using Toyota at 29.5% (Table 4.3)

Table 4.4 General Questions, Objective for buying a c-segment car

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	first	69	34.5	34.5	34.5
	additional	41	20.5	20.5	55.0
	replace	90	45.0	45.0	100.0
	Total	200	100.0	100.0	

Consumer who using car in c-segment 200 respondents, they brought a car because of different reasons by 45% decided to buy a car for replace their old car, 34.5% of people decided to buy it as first and 20.5% brought it as additional. (Table 4.4)

Table 4.5 General Questions, Consideration other segments

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	yes	171	85.5	85.9	85.9
	no	28	14.0	14.1	100.0
	Total	199	99.5	100.0	
Missing	System	1	.5		
Total		200	100.0		

Before consumer decided to buy a car in c-segment they are always consideration a car in other segments also and just only 14% they didn't consider a car in other segments. (Table 4.5)

Table 4.6 General Questions, Intension to buy

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	yes	154	77.0	77.0	77.0
	no	46	23.0	23.0	100.0
	Total	200	100.0	100.0	

The intension to buy question, 77% of the people who own a car in c-segment decided to repurchase a car in c-segment again and 23% they would like to buy other c-segment next time. (Table 4.6)

4.3 Demographic Question

In term of demographic, the data results can be summarized as follows:

Table 4.7 Demographic, Gender

Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	108	54.0	54.3	54.3
	Female	91	45.5	45.7	100.0
	Total	199	99.5	100.0	
Missing	System	1	.5		
Total		200	100.0		

From 200 respondents who did the questionnaire, the result about gender show the proportion of gender who using a car in c-segment that 54% are male, 45.5% are female and not specific 0.5%. (Table 4.7)

Table 4.8 Demographic, Age

Age

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18-30	142	71.0	71.0	71.0
	31-40	49	24.5	24.5	95.5
	41-50	7	3.5	3.5	99.0
	51-60	2	1.0	1.0	100.0
	Total	200	100.0	100.0	

The age range of sampling size, 71% of people are 18-30 years old, 31-40 years old are 24.5%, 41-50 years old are 3.5% and 51-60 years old are 1%. (Table 4.8)

Table 4.9 Demographic, Education

Education

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Less tham High School	4	2.0	2.0	2.0
	High School	6	3.0	3.0	5.0
	Bachelor's degree	137	68.5	68.5	73.5
	Master's degree	51	25.5	25.5	99.0
	Doctorate	2	1.0	1.0	100.0
	Total	200	100.0	100.0	

Most of the people who using a car in c-segment are graduated in Bachelor's degree and 25.5% of people who are using a car in c-segment are graduated in master's degree. (Table 4.9)

Table 4.10 Demographic, Income

Income

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Less than 20K	27	13.5	13.5	13.5
	20,000–40,000	75	37.5	37.5	51.0
	40,001–60,000	45	22.5	22.5	73.5
	60,001–80,000	33	16.5	16.5	90.0
	More 80,001	20	10.0	10.0	100.0
	Total	200	100.0	100.0	

The income ranges of the people who are using a car in c-segment mostly get 20,000 to 40,000 Baht per month. And just only 13.5% get an income less than 20,000 Bath per month. (Table 4.10)

Table 4.11 Demographic, Occupation

Occupation

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Company Empolyee	107	53.5	53.5	53.5
	Goverment Servant	12	6.0	6.0	59.5
	Business owner	41	20.5	20.5	80.0
	Student	19	9.5	9.5	89.5
	Unemployed	4	2.0	2.0	91.5
	Housewife	1	.5	.5	92.0
	State Enter	16	8.0	8.0	100.0
	Total	200	100.0	100.0	

Most of the people who are using a car in c-segment are working in public company and 20.5% of people are business owner. (Table 4.11)

Table 4.12 Demographic, Marital Status

Marital

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Single	176	88.0	88.0	88.0
	Married	21	10.5	10.5	98.5
	Divorced	3	1.5	1.5	100.0
	Total	200	100.0	100.0	

Most of the people who are using a car in c-segment are single person and 10% married. (Table 4.12)

4.4 Demographic Factor

In term of demographic factor, independent variables are demographic data and dependent variables are intension to buy questions. The researcher decided to use cross tabulation to find out the relation between independent variables and dependent variables. And also use Pearson Chi-square to check the significant of relation between two variables; the data results can be summarized as follows:

4.4.1 Gender and Intension to buy

Table 4.13 Demographic Factor, Gender and intension to buy

Crosstab

Count

		Gender		Total
		Male	Female	
ITB	yes	76	77	153
	no	32	14	46
Total		108	91	199

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	5.639[a]	1	.018		
Continuity Correction[b]	4.866	1	.027		
Likelihood Ratio	5.788	1	.016		
Fisher's Exact Test				.019	.013
Linear-by-Linear Association	5.611	1	.018		
N of Valid Cases	199				

a. 0 cells (0.0%) have expected count less than 5. The minimum expected count is 21.04.

b. Computed only for a 2x2 table

Both of male and female are decided to re-purchase a car in c-segment next time. Just only 32% of Male and 14% of female answered "No".

Chi-square score at 0.015, it's less than 0.05, and it's significant.

4.4.2 Age and intension to buy

Table 4.14 Demographic Factor, Age and intension to buy

Crosstab

Count

		Age				Total
		18–30	31–40	41–50	51–60	
ITB	yes	109	39	5	1	154
	no	33	10	2	1	46
Total		142	49	7	2	200

Chi-Square Tests

	Value	df	Asymp. Sig. (2–sided)
Pearson Chi–Square	1.136[a]	3	.768
Likelihood Ratio	1.002	3	.801
Linear–by–Linear Association	.101	1	.751
N of Valid Cases	200		

a. 3 cells (37.5%) have expected count less than 5. The minimum expected count is .46.

The majority of people in every age range are say "Yes" to decide to re-purchase a car in c-segment but Chi-square score is 0.768, it's greater than 0.05 so, it's not significant.

4.4.3 Income and Intension to buy

Table 4.15 Demographic Factor, Income and intension to buy

Crosstab						
Count						
		Income					Total
		Less than 20K	20,000–40,000	40,001–60,000	60,001–80,000	More 80,001	Total
ITB	yes	22	55	33	26	18	154
	no	5	20	12	7	2	46
Total		27	75	45	33	20	200

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	3.185^a	4	.527
Likelihood Ratio	3.547	4	.471
Linear-by-Linear Association	.751	1	.386
N of Valid Cases	200		

a. 1 cells (10.0%) have expected count less than 5. The minimum expected count is 4.60.

Most of people in every income range are answered "Yes" to re-purchase but Chi-square score is 0.527, it's greater than 0.05 so, it's not significant.

4.4.4 Occupation and Intension to buy

Table 4.16 Demographic Factor, Occupation and intension to buy

Crosstab								
Count								
		Occupation							Total
		Company Empolyee	Goverment Servant	Business owner	Student	Unemployed	Housewife	State Enter	Total
ITB	yes	77	10	34	14	3	1	15	154
	no	30	2	7	5	1	0	1	46
Total		107	12	41	19	4	1	16	200

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	5.579^a	6	.472
Likelihood Ratio	6.571	6	.362
Linear-by-Linear Association	3.602	1	.058
N of Valid Cases	200		

a. 7 cells (50.0%) have expected count less than 5. The minimum expected count is .23.

Most of people in every type of occupations are answered "Yes" to re-purchase but Chi-square score is 0.472, it's greater than 0.05 so, it's not significant.

4.4.5 Marital Status and Intension to buy

Table 4.17 Demographic Factor, Marital Status and intension to buy

Crosstab

Count

		Marital			Total
		Single	Married	Divorced	
ITB	yes	136	17	1	154
	no	40	4	2	46
Total		176	21	3	200

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	3.423[a]	2	.181
Likelihood Ratio	2.783	2	.249
Linear-by-Linear Association	.613	1	.434
N of Valid Cases	200		

a. 3 cells (50.0%) have expected count less than 5. The minimum expected count is .69.

The persons who are single and married mostly answered yes to re-purchase a car in c-segment but most of the people who are getting divorced answered no to re-purchase a car in c-segment.

Chi-square score is 0.181, it's greater than 0.05 so, it's not significant.

4.4.6 Education and Intension to buy

Table 4.18 Demographic Factor, Education and intension to buy

Crosstab

Count

		Education					Total
		Less tham High School	High School	Bachelor's degree	Master's degree	Doctorate	
ITB	yes	3	4	107	38	2	154
	no	1	2	30	13	0	46
Total		4	6	137	51	2	200

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	1.241[a]	4	.871
Likelihood Ratio	1.655	4	.799
Linear-by-Linear Association	.014	1	.905
N of Valid Cases	200		

a. 6 cells (60.0%) have expected count less than 5. The minimum expected count is .46.

Most of the people graduated in Bachelor's degree and master's degree are answered "YES" to re-purchase a car in c-segment.

Chi-square score is 0.871, it's greater than 0.05 so, it's not significant.

4.5 Factor Analysis

The researcher used factor analysis technique in SPSS for group a factor that mostly influence consumer to buy a car in c-segment, the data results can be summarized as follows:

4.5.1 Total Variance Explained

Table 4.19 Total Variance Explained, after reduction

Total Variance Explained

Component	Initial Eigenvalues			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	5.850	30.792	30.792	3.110	16.369	16.369
2	1.876	9.872	40.664	2.568	13.517	29.886
3	1.538	8.095	48.759	2.415	12.709	42.594
4	1.170	6.160	54.919	2.342	12.325	54.919
5	.978	5.147	60.066			
6	.865	4.552	64.618			
7	.814	4.286	68.903			
8	.797	4.197	73.100			
9	.734	3.862	76.962			
10	.676	3.560	80.521			
11	.636	3.346	83.868			
12	.533	2.804	86.671			
13	.454	2.391	89.062			
14	.437	2.300	91.362			
15	.384	2.020	93.383			
16	.378	1.990	95.372			
17	.321	1.690	97.062			
18	.311	1.635	98.697			
19	.248	1.303	100.000			

Extraction Method: Principal Component Analysis.

The table above shows a plenty of component or variable, in Initial Eigenvalues, it has just only 4 components that Eigenvalue greater than 1.00, the cumulative% in range from 30% to 54%. So, the factors that influence consumer behavior toward to car in c-segment should have 4 factors.
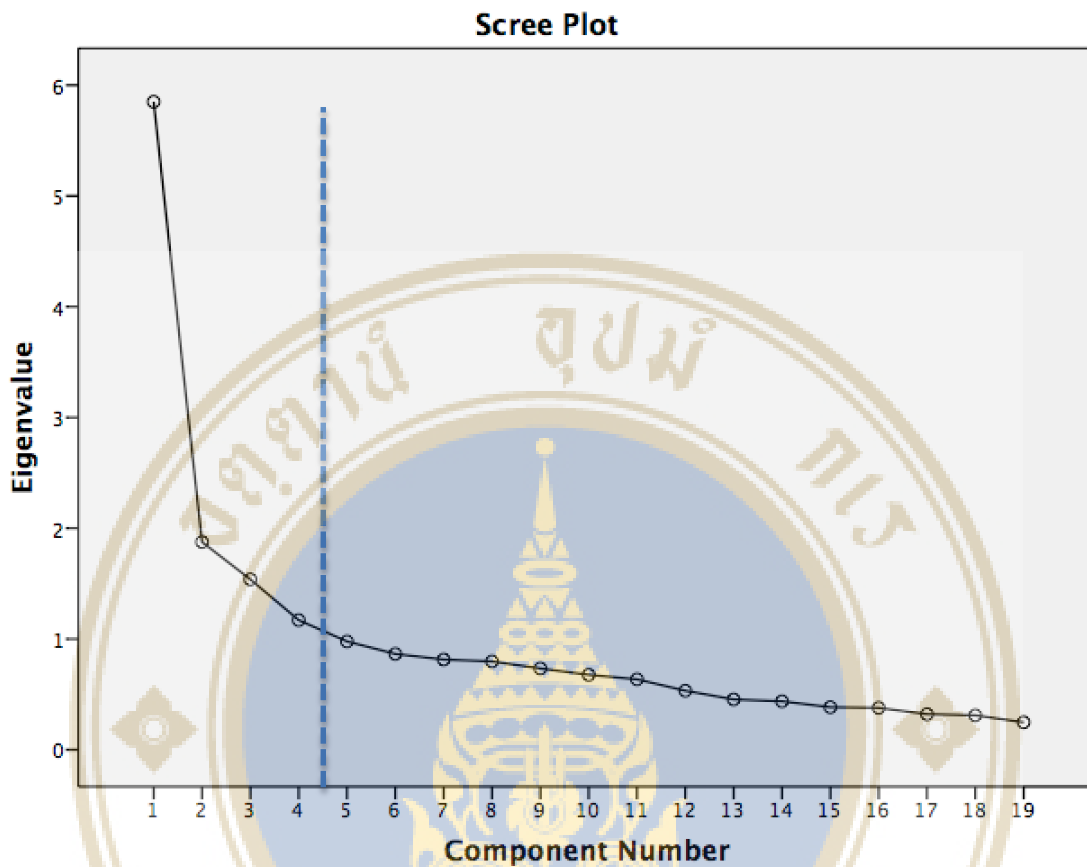
4.5.2 Screen Plot

Figure 4.1 Screen Plot, after reduction

Screen Plot graph shows the relationship between component number and eigenvalue, and the factors that affect to customer buying behavior towards to car in c-segment should have about 4 factors that Eigenvalue greater than 1, see in the big drop in the lines

4.5.3 Rotated Component Matrix

Table 4.20 Rotated Component Matrix, after reduction

Rotated Component Matrix[a]

		Component 1	2	3	4
Customer Benefits	Product Warranty	.754			
	Offer promotion for customer	.738			
	Free car insurance	.682			
	Discount Rate	.681			
	Consumer compared to other brands	.626			
	Sale consultant quality	.465			
Product Attribute	Satisfied in product quality		.754		
	Satisfied in car performance		.706		
	Satisfied in Interior design		.619		
	Satisfied in exterior design		.616		
	Purchased a product that make consumer have a good image		.454		
Customer's emotional	Purchased product that consumer trusted			.817	
	Purchased product that consumer Liked			.726	
	Purchased a product that consumer satisfied in options			.699	
	Purchased product that consumer familiar with			.518	
Product accessory	Satisfied in product accessorry				.883
	Concerned about spareparts				.713
	Satisfied in promotion of free accessorry				.594
	Satisfied in product accessorry				.558

Extraction Method: Principal Component Analysis.
Rotation Method: Varimax with Kaiser Normalization.[a]

a. Rotation converged in 6 iterations.

The table above shows the 4 group of variable that affect the consumer buying behavior towards to car in c-segment. The researcher named in each group as follow:

4.5.3.1 Customer benefits

Most of the consumer always concern in the benefits that they got when they considered to buy a new car. The consumer considered in the car warranty, now a day most of car brand decided to give a product warranty to every customer at least 3 years or 100,000 kilometers. Promotion is the one thing that consumer also concerned, they might think how much discount they will get or will get free car insurance or not because a car insurance cost it expensive, at least 15,000 Baht per year for a car in c-segment. So, they might compare a promotion from brand to brand and also considered in sale service quality.

4.5.3.2 Product Attribute

Before customer decides to buy a car, they might consider in product. Most of c-segment car customer they decided to purchase a car in c-segment because they satisfied in product quality or a engine and performance of vehicle. Not only a product but also they focused on a product design, interior and exterior design that make them feel have a good image.

4.5.3.3 Customer emotional

Emotional is the one thing that drives customer behavior to purchase a car in c-segment. Customer they like to buy a product that they feel similar to the brand and trust. The product option and brand that they like it must be the first in customer mind.

4.5.3.4 Product accessory

An accessory is the one thing that add-on a product and makes a product more value to customer. A customer they concerned in a promotion of an accessory, it's free? Or they have to buy it. Moreover, they always think about spare part of the product in the future.

CHAPTER V
DISCUSSION AND RECOMMENDATION

5.1 Discussion

From a study of consumer buying bahavior towards to car in several countries. They are plenty of factors that influcence consumer behavior in each countrie, such as some countries the most consumer concerns in the product and service quality and some counteries like india they focused on price of product.

And the studies the factors that influence buying bahivior of Thai consumer, this research found that the most of c-segment consumer who lives in Bangkok most concerns in product and promotion such as product design, interior and exterior design and quality of product. Moreover, promotion can support the product to make a product more interesting interm of customer views. The product and promotion that can satisfy customer the most, it can get attension fron customer, make more awareness and gain more sale.

So, maintaining a product and promotion are important for every car brand to stimulas new customer and existing consumer to re-purchase a car in their brand or in a car in c-segment.

However, in other provides of Thailand may have a different factors besides the factors of consumer in Bangkok because of differences of demographic such as Income, education levels, occupation and etc.

5.2 Limitations

This research was conducted with a sample size of 200 consumer respondents who using a car in c-segment between October 20, 2014 to November 9,2014 in Bangkok, Thailand. This sample may not be representing the entire segment fully.

This research topic include demographics and marketing mix strategies; however, in reality, there are many other factors to consider, such as consumer motivation, consumer decision-making process, external and internal factors.

5.3 Recommendations

From the results after analysis the data, you will see that the factors that influences consumer-buying behavior towards to car in c-segments are product and promotion. To make all customers satisfy isn't easy but is important.

This study data reserch will make it easier to forcast trend in the automotive industry, in addition to market changes. This research can be used to understand consumer insigns and behavior regarding to the marketing strategies. Automotive companies can utilize this study to support the evaluation and development of car in c-segment sales and marketing strategies.

5.4 Future research

For future research, a study of factors that influence consumer buying bahivior towards to car in c-segment in Bangkok can be improve using other methods such as qualitative research by interview, observation or focus group. Moreover, difference are of the study will yield deifferent results in term of consumer bahavior and lifestyle.

CHAPTER VI
CONCLUSION

Nowadays, automotive industry in Thailand was indicated growth year by year. A car in c-segment has been successful in this business, most of the car brands in the world has a car in c-segment in their owns production line. Production and manufacturing a car in c-segment for satify customerr needs, it's very importanting every car brand must be concerns because it help car brand get attension from customer and gain more sale.

From a study of the factors that influences consumer buying behavior toward to car in c-segment. To summarize the findings, the results can be grouped into four factors and can be categorize as two group of Marketing mix strategies, product and promotion.

The factors that catagorize into group of Product are product attribute and product accessorry. Interm of product, the consumer interested in design of interior and exterior including product accessorry. And concerns in quality of product also.

The factors that catagorize into group of Promotion is customer benefits. Interm of promotion, almost consumer very concerns in promotion that they will get from buying a car, a consumer always compare the promotion that they've got with other brand such as product discount rate, free insurance, and free accessorry.

Moreover, the other factors that this research've found is customer's emotional it affect to consumer buying behavior also, Almost of consumer always looking for brand that they feeling similar to and the brand that they like and trust in brand.

Not only factors in marketing mix strategies but gender in demographic factors also affect to customer intension to buy a car in c-segment.

Most of consumer who purchased a car in c-segment, before they making a deal to purchase they always considered a car in other segment.

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APPENDICES

APPENDIX A QUESTIONNAIRE :

THE FACTOS THAT INFLUENCES CONSUMER BUYING BEHAVIOR TOWARDS TO CAR IN C-SEGMENT IN BANGKOK

This questionnaire will asking you about the factors that influences customer buying behavior towards to C-segment car in Bangkok. C-Segment car is compact cars third smallest segment, the engine between 1,600cc to 2,000cc which including Toyota Corolla Altis Toyota Prius, Honda Civic, Mazda3, Ford Focus, Mitsubishi Lancer, MG MG6, Proton Suprema, Proton Preve, Nissan Pulsar, Nissan Sylphy, Nissan Tiida, Chevrolet CRUZE, Hyundai Elantra, Subaru Impreza, Mercedes-Benz CLA-class, Audi A3, BMW 1 series, Volvo V40, Volkswagen Golf and Lexus CT. This questionnaire will take about 10 minutes.

1. Currently you drive a car in C-segment?

   _____ Yes   _____ No (End survey)

2. What brand is your car?
   a. TOYOTA   b. Honda   c. Mazda   d. Ford   e. Nissan
   f. Chevrolet   g. Mitsubishi   h. Proton   I. Hyundai   j. Subaru
   k. MG   L. Audi   m. BMW   n. Mercedes-Benz   o. Volvo
   p. Volksawagen   q. Lexus

3. You purchase a C-segment car as a First / Additional or replace vehicle

   _____ First   _____ Additional   _____ Replace

4. When you found information during purchasing a car in c-segment, Do you always considered other segment?

   _____ Yes   _____ No

5. Have you plan to repurchase a car in c-segment again?

   _____ Yes   _____ No   _____ May be

Please indicate to what extend you agree or disagree with each of the following statement.

Topics	Strongly Disagree	Disagree	Agree	Strongly Agree
1) I purchased a c-segment car with the brand that I trust				
2) I purchased a c-segment car with the brand that I like				
3) I purchased a c-segment car with the brand that make have a good image				
4) I purchased a c-segment car which I am familiar with the brand I choose				
5) I purchased a c-segment car by concern in product quality				
6) I purchased a c-segment car that I'm satisfy in options				
7) I purchased a c-segment car that I'm satisfy in safety system				
8) I purchased a c-segment car that I'm satisfy in quality of product				
9) I purchased a c-segment car that I'm satisfy in performance				
10) I purchased a c-segment car because of car functions are easy to use				
11) I purchased a c-segment car because of variety of accessory				
12) I purchased a c-segment car because of I'm satisfy in exterior design				
13) I purchased a c-segment car because of I'm satisfy in interior design				
14) I purchased a c-segment car with lowest service maintenance cost				
15) I purchased a c-segment car with lowest accessory price				
16) I purchased a c-segment car with lowest spare parts price				
17) I purchased a c-segment car by compare the price with other brands				
18) I purchased a c-segment car by compare the price with other dealers				
19) I purchased a c-segment car at the dealer that easy to travel to do service maintenance				
20) I purchased a c-segment car that easy to contact with car dealer				

Topics	Strongly Disagree	Disagree	Agree	Strongly Agree
21) I purchased a c-segment car that dealer located close to public transportation				
22) I purchased a c-segment car that dealer ready to distribute a car to me				
23) I purchased a c-segment car by concern in sale promotion that I've got				
24) I purchased a c-segment car who gave me high discount rate				
25) I purchased a c-segment car who gave me a lot of accessory				
26) I purchased a c-segment car who gave me free insurance				
27) I purchased a c-segment car by concern in period of product warranty				
28) I purchased a c-segment car because of variety of financial service options				
29) I purchased a c-segment car because of interest rate compare to other competitors				
30) I purchased a c-segment car by concern in sale service quality				
31) I purchased a c-segment car by concern in after sale service quality				

1. Please select your gender.

    A. Male

    B. Female

2. Please select your age range.

    A. 18 - 30 years old

    B. 31 - 40 years old

    C. 41 - 50 Years old

    D. 51 - 60 years old

    E. 61 years old or more

3. Please select your education level.

    A. Less than High school

    B. High school graduate

C. Bachelor's degree

D. Master's degree

E. Doctorate

F. Others

4. What is your monthly income?

A. Less than 20,000 THB

B. 20,001 - 40,000 THB

C. 40,001 – 60,000 THB

D. 60,001 – 80,001 THB

E. More than 80,001 THB

5. Please select you occupation.

A. Company Employee

B. Government Servant

C. Business owner

D. Student

E. Unemployed

F. Housewife

G. Retired

F. State Enterprise Employee

6. What is your marital status?

A. Single

B. Married

C. Divorced / Separated

D. Widowed

---------------------- Thank you --------------------------