THAI CONSUMERS' PERCEPTION TOWARDS LOCAL BRANDS AND GLOBAL BRANDS IN THE MOBILE PHONE INDUSTRY IN BANGKOK

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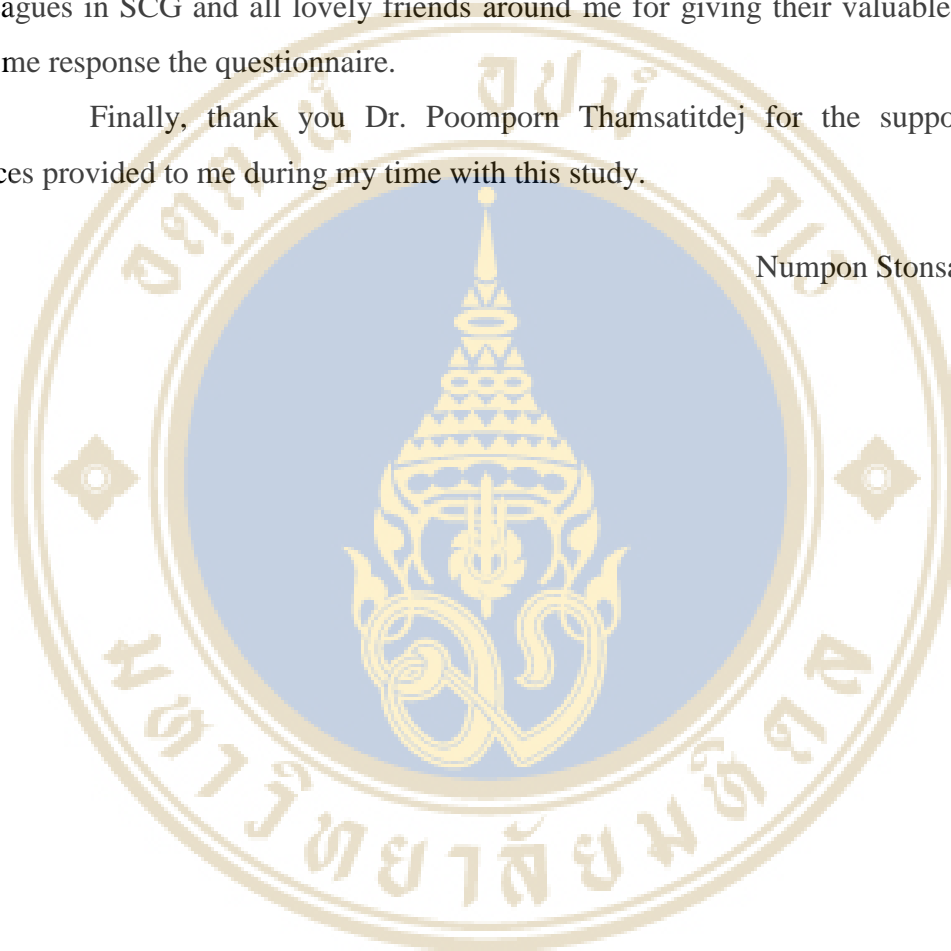Assoc. Prof. Annop Tanlamai,   Assoc. Prof. Vichita Ractham,
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ABSTRACT

Local companies have developed their own products, brands, distribution and tried to offer their local brand mobile phones to compete against the giant brands. The main of this study is to investigate and understand Bangkok mobile users' perceptions towards local brands and global brands. Furthermore, to examine the important factors of mobile phone attributes, which are considered for purchasing mobile phones by users and effects of country of origin in mobile phone industry in Bangkok. Quantitative research applied to gather data though online survey. Data was analyzed by descriptive analysis to summarize the characteristics of the sample and to compare the brand attributes of each selected mobile phone. This method can help us examine the gap between each selected brand perception dimensions. Factor analysis was applied to analyze the most important components in customers' decision to buy mobile phones. Marketers can predict the possibility and focus on the important brand attributes that might need to be improved in marketing plan of each brand. Furthermore, marketers can study more about the dimension of perception of customers to create a proper advertising and marketing campaign.

KEY WORDS: Mobile Phone/ Consumers' Perception/Local Brand/Global Brand

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CHAPTER I
INTRODUCTION

1.1 Background of the study

The competition in mobile phone industry in Thailand is aggressive today. There are many cross-border trading and investments in the mobile phone sector. Many international firms have introduced their products to Thai market, so that they can gain larger market share by advantages of economies of scale in production and distribution. In the past, only the famous mobile phone companies were investing and expanding their markets in Thailand. Today, these global companies are facing the aggressive competition with the local companies, of Thailand and from the neighbor countries. These local companies have developed their own products, brands, distribution and tried to offer their local brand mobile phones to compete against the giant brands like Apple and Samsung. This leads to an increasing interest in consumers' perceptions towards local and global brands.

Today, according to report of 3rd quarter, 2014 of National Broadcasting and Telecommunications Commission (NBTC), the number of mobile users had been growing rapidly to 95.72 million. The percentage of mobile user per population is 142.87%, meaning that 1 population uses 1.4 mobile devices on average. This information can reflect to the dramatically growth of mobile industry in Thailand. The Nation (2014) asserts that the growth of smartphone industry in Thailand is about 30% or 13 million units. Also, according to Telenor group 2014, Thailand is its second largest market in the world, with 24 million users.

An average Thai user spends 7.4 hours per day on media and spends 2 hours and 56 minutes or 38% of their daily media routine via their mobile device (Millward Brown, 2014). Also, Thai users spend time on the internet via mobile phones accounted for 49 percent of all media (Nielsen Thailand Study, 2013).

This research intends to focus and narrow down the study to the consumers in Bangkok area, as they seem to be the most sophisticated consumers in Thailand,

who are likely to be influenced by new trends and lifestyles, to have knowledge about telecommunication technology, and their families are likely to have purchasing power to buy mobile phones. That's why the competition in Bangkok should be more aggressive than the provinces.

In the global market, surely, Samsung and Apple are the leading brands with the highest sales. It is surprise that, in Thailand, house brands or local brands can beat sales of these two giant brands in Q3, 2014 (Dtac shop research; 2014). The dTacTrinet phone became the most popular smartphone in low-end segment (price less than 10,000 Baht). The second is Samsung, the third is Iphone and the forth is Oppo. I-mobile, who is one of the famous house brand in Thailand, expected sales in 2014 around 2 million units of smartphone. According to Business+ (September 2013), as for the sales at retail shop not including by mobile operator, Samsung came the 1st rank at 59.69%, while Nokia was the 2nd with 20.00% and I-Mobile came at the 3rd with 9.39%. The rest were Apple (4.29%), Sony (2.35%), Oppo (2.24%) and LG (2.04%).

Today, consumers have more diverse choices of local brands to compare with global brands, their considerations and buying-processes seem to be more complex and difficult to be understood. Consumers are likely to have different perceptions towards local and global brands, which affect their purchase decision. Therefore, studying consumers' perceptions of local and global brands in this industry has substantial implications to develop marketing strategy for successfully introducing a brand, either local or global, to this aggressively competitive market. Moreover, as a consumer's preference for a certain product is also affected by its country of origin and the consumer's own ethnocentrism, it is essential to understand effects of the country of origin and the consumer's ethnocentrism on the consumer's decision to buy a mobile phone. There are a large number of researches in this field. However, most of the researches focus on only the developed countries (Bilkey and Nes, 1982; Schuiling and Kapferer, 2004).

Therefore, this study would like to investigate a country like Thailand and narrow down to Bangkok with the above reasons. This study is aiming to understand mobile phone users in Bangkok, regarding their perceptions towards local and global brands, and understand the criteria for decision-making to purchase their mobile

phones, and implications for local and global mobile phone companies to develop their marketing strategies to compete and sustain in the industry.

1.2 Study objective

The key objective of this study is:

- To investigate and understand Bangkok mobile users' perceptions towards local brands and global brands in mobile phone industry.

The secondary objectives of this study are as follows:

- To examine the important factors of mobile phone attributes, which are considered for purchasing mobile phones by users, who are living in Bangkok; and

- To examine the effects of countries of origin in mobile phone industry on mobile users, who are living in Bangkok, with respect to their preferences for perceived quality of local and global brands, as well as the effects of ethnocentrism of mobile users, who are living in Bangkok, in relation to countries of origin of mobile phones.

CHAPTER II
LITERATURE REVIEW

There are many factors that can influence consumers to purchase mobile phones. According to Karjaluoto (2005), purchasing his or her own mobile phone is very subjective and depends on personal preference. However, from this research, the result has shown that the technology and quality are the basic factors that influence the consumers' intention to buy. Today, many of local brands develop their mobiles with fancy features, standard technology with affordable price. Therefore, the researcher would like to examine the customers' perception towards global brands and local brands, regarding perceived quality, and the attributes of mobile phone that affect the perceived quality of both global and local brands, as well as the relation of countries of origin and customers' ethnocentrism to the quality perceived by the consumers.

2.1 Branding and brand attributes

According to the American Marketing Association, a brand is a name, sign, symbol, design, or a combination of them intended to identify the goods or services of one seller or a group of sellers and to differentiate them from competitors (Backhaus, 2004; Kotler, 1994). Brand knowledge is the full set of brand associations linked to the brand in a consumer's long-term memory. Furthermore, Aaker (1997) describes the six meanings of a brand, which present certain attributes, functional and emotional benefits, producer's value, certain culture, certain personality, and the kind of consumer. Now, many brands become ones of their firms' most valuable assets. As a result, brand management becomes a top activity in many firms (Backhaus, 2004). Branding is one of the most important factors leading to the success or failure of firms. Managing brand properly can help to generate loyalty, create a differentiated competitive advantage, as well as communicate features and benefits (Cunningham, 2006). When consumers lack direct experience with a product, they tend to perceive

value and quality of the product by looking at its brand. Kapferer (1992) mentioned that consumers' perceptions of a product lie heavily on its brand, whether they have direct or indirect experience with that brand. Therefore, the high credibility of brands helps firms introduce and launch new products successfully with less difficulty. It seems that consumers have strong and positive perception towards international brands, especially in mobile industry, but Schuiling and Kapferer (2004) mentioned that an international brand has had a negative impact on local brands. Many brands have been eliminated by international brand portfolio and this trend has been found not only in the fast moving consumer goods sector, but also in many other types of industry. Brands are also chosen to serve a sense of belonging and esteem as well as to show off consumers' lifestyles, interests, values, or wealth. However, consumers perceive brands differently, even if attributes of the products are the same, especially when one is local brand and the other is a global brand.

2.2 Local brands Vs. Global brands

2.2.1 Definition of Local and Global brand

Firstly, the researcher has to define what the local brands and global brands are. According to Schuiling and Kapferer (2004), the local brands are brands that exist in one country or in a limited geographical area. Such brands may belong to either a local, international, or global firm. On the other hand, the global brands are brands that have globalized elements of marketing strategy. In another sense, global brands are defined as brands that apply the same marketing strategy to all target market. A local brand is a brand that can be found in only one country or limited zone. It may be called a zonal brand if the area encompasses more than one metropolitan market. It may also be a brand that is developed for a specific local marketplace; however, an interesting thing about local brands is that the local branding is more often done by consumers than by the producers. Consumers often talk about the benefits from using such brands to others in a limited area. So, local brands are distinct as brands that exist in one country or in a limited environmental region.

Similarly, according to Moslehpour and Kien Pham (2014), the global brand is one which is perceived to reflect the same set of values around the world. Global brands can win over their origins and create strong substantial relationships with consumers across countries and cultures. Where a customer buys one new global product is not important, because the customer feels the same thing about the product through their strong branding strategy. Both local and global brands have their own advantages and disadvantages. Therefore, some groups of consumer may prefer local brands while other groups may prefer global brands. According to Bilkey and Nes (1982) the preference for local and global brands differs from developed countries to less-developed countries. It is interesting to examine the perception of consumers in Bangkok towards the global brands and local brands.

2.2.2 Global brand Vs. Local brand

Global Brand: A key advantage of globalization is firms' opportunity to benefit from strong economies of scale, both in production and distribution. It is well-known that a standardized brand can generate significant cost reduction in all areas of the business system, including research and development, manufacturing, and logistics. The shift to a single global brand name also provides substantial savings in packaging and communication costs (Schuiling and Kapferer; 2004). According to Moslehpour and Kien Pham (2014), Taiwanese consumers are willing to purchase high quality foreign famous brands at high prices, because of their perception that global brands are imbued with high reliability, quality and performance. Global brands are capable of realizing economies of scale benefits from the global market (Johansson and Ronkainen, 2004). The economies of scale can improve cost reduction and lead to increase in value added, thus global products become more and more attractive. Global brands are perceived by consumers to be more value-added in term of better quality, as well as more sophisticated and modern (Johansson and Ronkainen, 2004).

Local Brand: Local brands benefit from a better value and familiar perception as prices of the local brands are usually lower than those of global brands; it provides for consumers with a sense of better value for money. Furthermore, with the good image and worth for money, local brands create trust in consumers' mind (Schuiling and Kapferer, 2004). Local brands are seen to be "down to earth" brands,

which serve basic needs of consumers rather than a sense of thrill or hedonistic needs. Local brands link products to local tradition and local culture closer than that of international brands, thus local brands are seen to be traditional brand. Schuiling and Kapferer (2004) also mentioned that there is no significant different in consumers' perception of prestige between local and global brands; therefore, although global brands attract and interest consumers, they end up purchasing local brands. It's quite interesting for the technology and fashion industry like mobile industry as Schuiling and Kapferer did the research in European market, not a developing country.

It seems that consumers' perceptions and preference towards local and global brands are different; therefore, it is interesting to understand the characteristics and nature of such perceptions and preference, especially those which are possessed by consumers living in Bangkok.

2.3 Country of Origin

Country of Origin is one of the evaluation criteria, which are considered by consumers. According to Bilkey (1982), the attitude towards products from a country varies according to product, products from developed countries being perceived as superior, sophisticated to those from underdeveloped and developing countries. Bhakar (2013) asserted that there is a significant effect of Country of Origin when it is evaluated along with brand image at the same time. In addition, roles of Country of Origin can create "halo" effect that influences beliefs about product quality, and only then influences attitudes or purchase intentions (Batra; 2000). The global brand effect was greater on consumers, who had greater preference for sophisticated lifestyle in developed countries. The effect was also found to be stronger on consumers, who were higher in sensitivity to product categories higher in social signaling value (Batra; 2000).

According to Ghazali (2008), Malaysian consumers consider the Country of Origin information and link to the quality of a product that they purchase. In general, they are willing to buy a product that is made in a developed country, and Japan in particular receives a high score for the impression that it produces high quality products.

The country of origin might generate "ethnocentrism" to customers' perception. The recent definition of the ethnocentrism was developed as an economic form of ethnocentrism. Earlier researchers try to relate ethnocentrism with the consumer beliefs about the appropriateness and morality of purchasing foreign made products. As such, researches have linked the foreign products evaluation to the level of consumer ethnocentrism. Shimp and Sharma (1987) said that consumer ethnocentrism focuses on the responsibility and morality in purchasing foreign-made products and the loyalty of consumers to products manufactured in their home countries. According to Shah and Ibrahim (2012), they examined the effects of several demographic variables, for example; gender, age, education level, income level and geographical region on the ethnocentric inclinations among Malaysian consumers. For the profile of ethnocentric consumers, it is found that lower income consumers seem to have higher ethnocentrism.

Comparing to Thailand, as a neighbor country to Malaysia, it is an interesting issue to examine whether or not Thailand will yield the result of ethnocentrism, which relates to Country of Origin, similar to that of Malaysia. Also, the relation of country of origin and perceived quality of product is very interesting to examine.

2.4 Customer Evaluation and Product Attributes

In order to understand consumer's perceptions towards local brands and global brands, it is essential to examine the consumer product evaluation. Earlier studies by Lancaster (1966) said that attributes are the objective physical aspects of a product.

There are many other attributes that consumers take into consideration when evaluate products. Attributes are defined as all informational which is available to the consumer before consumption and consist of both intrinsic and extrinsic (Rao and Monroe, 1989). The intrinsic attributes are related to physical attributes of a product such as size, shape, taste, design, and fit (Bilkey and Nes, 1982). However, only intrinsic attribute are able to differentiate product but may not enough to judge which product offer the most satisfaction (Loudon and Della Bitta, 1988). Therefore,

the extrinsic attributes, which are related to intangible traits of a product such as brand, country of origin, warranties, packaging and advertising messages (Bilkey and Nes, 1982;), are also playing the important role in consumer product evaluation. These extrinsic attributes are likely to have more influence on consumer evaluation, especially when product is complex or consumers are not familiar with the product (Loudon and Della Bitta, 1988). Consumers tend to apply these criteria to evaluate products in term of quality and value in order to make purchase decision.

According to Jaccard, Brinberg& Ackerman (1986); attributes of product play the important role of individual's perception and attitude towards the product. Moreover, Kotler (1994) mentioned that consumers evaluate and make the choice by the performance of product attributes and the importance that they put on every attributes.

It seems that consumers' criteria and their intentions to buy are different; it is necessary to examine the consumer product evaluation in order to understand the factors considered by consumers that affects their mobile phone purchase intention.

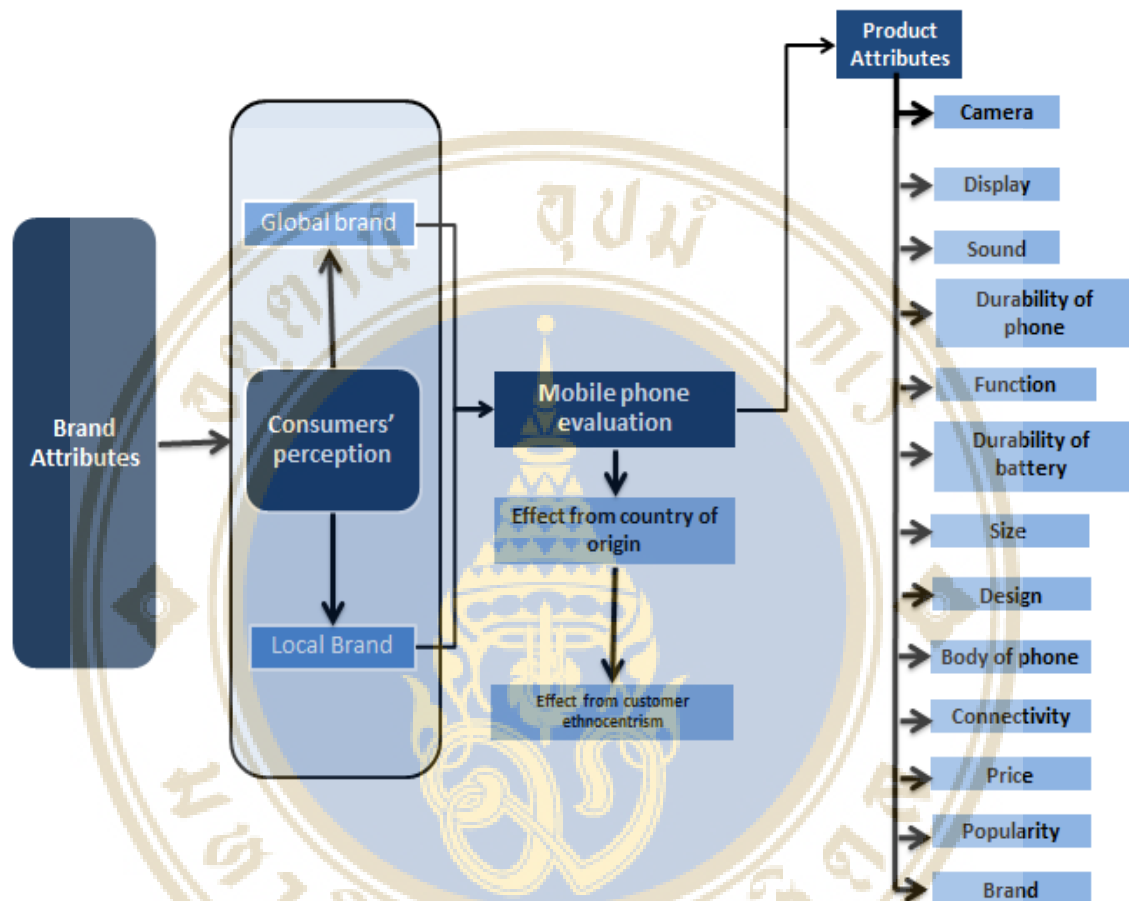**Figure 2.1 Represent Conceptual Framework**

Reference: Karjaluoto, H. (2005) , Huang, F., Wang, B., Gong, Q. (2013), T Tao Zhang , Pei-Luen Patrick Rau , Jia Zhou (2010), Schuiling, I. and Kapferer, J-N. (2004), Bilkey, W.J. and Nes, E. (1982)

CHAPTER III
RESEARCH METHODOLOGY

3.1 Research method discussion

In order to achieve the study objectives, the reviews of relevant literatures and the survey questionnaire are adopted as the data collection methods.

The reviews of literatures are focused on the academic theories, literatures, and studies relating to brands and branding, consumers' perceptions towards local and international brands, product evaluations and the country of origin effects and consumer ethnocentrism.

In general, qualitative research can examine the homogeneous of exploration, raises more issues by wide and open-ended inquiry to understand behaviors of values, beliefs and assumption. However, qualitative research has no objectively verifiable result and requires a skillful interviewer (Looi Theam Choy, 2014). Without the skills, it can lead to invalid or disqualified results.

According to Beal (2010), the quantitative research is generally ideal when the major thoughts, feelings and behaviors have been illuminated among the customer group or the objective is to measure specific thoughts, feelings and behaviors among a broader set of people. Moreover, Looi Theam Choy (2014) mentioned that the strengths of quantitative research are the short time frame for administered survey and facilitate numerical data for groups and analyze the level of agree or disagree from respondents.

The researcher selects this type of research, quantitative, as it is able to explain the perception of mobile's user in Bangkok by collecting numerical data and analyzing them by using statistical methods, as well as this study has a very limited data collection period. Although it cannot establish in-depth understanding of the topic, quantitative research gains more reliability and generalization. It involves analyzing correlation between variables and perception towards global brands and local brands. The survey questionnaire, quantitative research, is conducted to obtain

the primary data. The data collection comes from targeted respondents, who are living or working in Bangkok, through the online-survey. Respondents were asked to take the survey voluntarily. There was no limitation about gender, ages, and social class of respondents. The researcher's target number of respondents for this survey is 400 respondents through online survey, in order to represent Bangkok population characteristics. The population of Bangkok is approximately 10 million people, and Bangkok is the center of commerce and business in Thailand. Consumers in Bangkok are sophisticated and individualistic, who often buy both of imported or local brands; depending on their preferences. They have the purchasing power and the affordability is not the barrier to conduct this study.

3.2 Questionnaire design

The main part of questionnaire has the objective to examine the perception of targeted respondents towards global brands and local brands. The brand attributes will be measured following the questions that will be asked for the perception towards each selected brand. As well as the questions are aiming to measure the main attributes which effect to intention to buy the mobile phone. The additional part will examine the relationship between countries of origin, including ethnocentrism of consumers that affects the global brands and local brands of customers' perceptions.

3.3 Data analysis method

The first method is "descriptive analysis", is applied to summarize the characteristics of the sample and to compare the brand attributes of each selected mobile phone. This method can help us examine the gap between each selected brand perception dimensions. Then, marketers can predict the possibility and focus on the important brand attributes that might need to be improved in marketing plan of each brand. Also, this method will be applied to the general information received from respondents.

The second method is "factor analysis" in order to find the percentage of Eigen values to analyze the most important components in customers' decision to buy mobile phones, both of global brands and local brands.

CHAPTER IV
DATA ANALYSIS

4.1 Characteristics of samples

      The sample was collected through on- line survey and managed to get 400 respondents. The result of data analysis showed the valid 185 respondents (samples) who are living in Bangkok. The first section would begin with the result finding of demographic profile of samples. Table 4.1 presents the gender and ages of the sample. From 185samples, they consist of 88 female samples and 94 male samples, accounting for 47% and 51% respectively. The rest of samples who didn't specify gender are 2% or 3 samples. In term of age, the majority age of samples is 26-35 years old which is or 79%. The rest are 32 samples or 17% who are 36 years old or more and 8 samples or 4% who are 15 – 25 years old.

Table 4.1 Gender and Age of samples

Gender	Number of samples	Percentage
Female	88	47%
Male	94	51%
Not specify	3	2%
Total	185	100%

Age	Number of samples	Percentage
15 – 25 years old	8	4%
26 – 35 years old	145	79%
36 years old or more	32	17%
Total	185	100%

Income per month (after tax, total household, from salary and other sources)
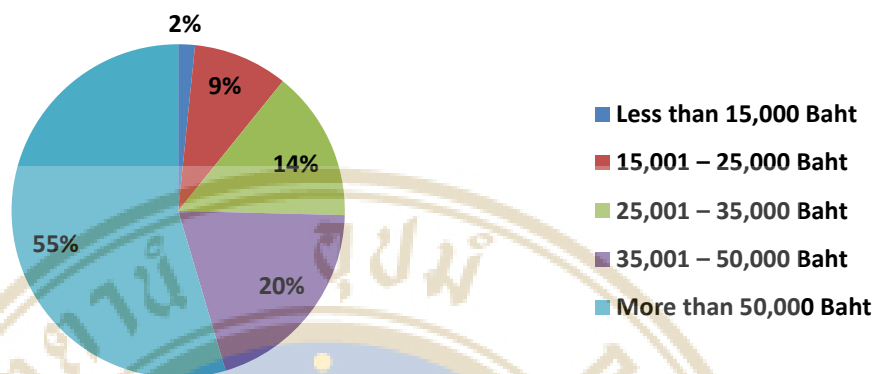
Figure 4.1 Represent income per month (after tax, total household, from salary and other sources)

According to the Figure 4.1, regarding the income per month (after tax, total household, from salary and other sources), the majority of samples which is 101 samples or 55% has the income per month more than 50,000 Baht. There are 20% or 37 samples that have income per month 35,001 – 50,000 Baht, 14% or 27 samples who have income per month 25,001 – 35,000 Baht and 9 % or 17 samples that have income per month in range between 15,001 to 25,000 Baht. There are only 2% or 3 samples that have income per month less than 15,000 Baht.

Number of current mobile phone used by samples
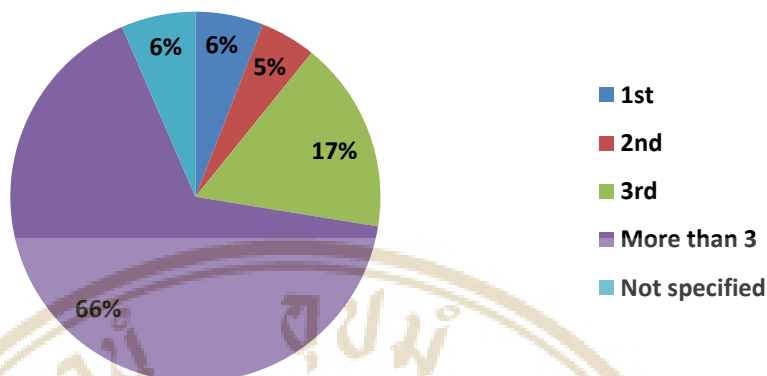
Figure 4.2 Represent number of current mobile phone used by samples

From Figure 4.2, there are 66% or 122 samples that have the experience of using more than 3 mobile phones. Samples whose current mobile phone is third mobile phone account for 17%. The remaining 5% and 6% are the samples who are using the 2nd mobile phone and have never changed their first mobile phone respectively, considering as the minority. There are 6% of samples who did not specify their information
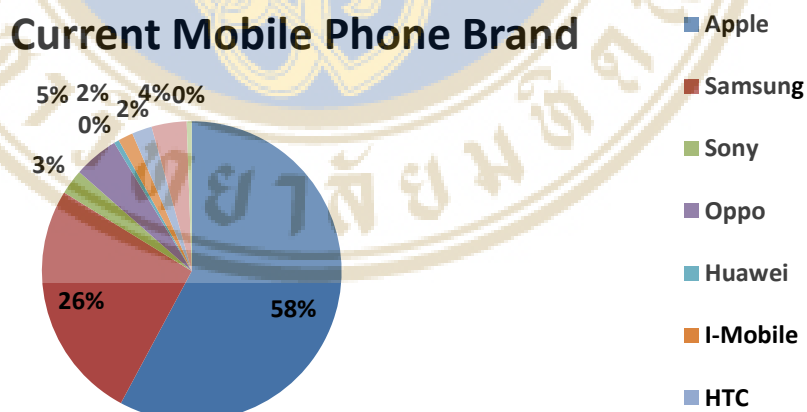
Figure 4.3 Represent percentage of current mobile phone brands using by samples

Figure 4.3 represents current mobile phone brands that are being used by the samples, from the survey, almost of samples are using global brand. The majority

brand is one of the leaders in mobile phone industry who is Apple by 58% or 107 samples. Follow by another famous global brand from Korean, Samsung, by 26% or 48 samples. Oppo which is classified as local brand comes in the third place by 5% or 9 samples. Sony and HTC come after by 3% (5 samples) and 2% (4 samples) respectively. While, there are 2% or 3 samples who currently using Thai's brand, I-Mobile and there is only one of sample who is using Huawei now. There is one of sample didn't specify his current mobile phone.

Table 4.2 Brand preference of samples

Brand they prefer to buy	Number of samples	Percentage
Global Brands	181	98%
Local Brands	4	2%
Total	185	100%

From Table 4.2, almost of the samples which are 98% prefer to buy global brands, whereas there are only 2% of samples preferring to buy local brands.

4.2 Product Attributes

From Table 4.3, it shows the Total Variance Explained, which lists the eigenvalues associated with each factor. This table describes the eigenvalue in terms of the percentage of variance explained (component 1 explains 45.2% of total variance). It means that only first components can explain relatively large amounts of variance. Table 4.2.1revealed that there 2 components which has eigenvalues more than 1 with higher 60% cumulative.

Table 4.3 Total Variance Explained

Total Variance Explained

Component	Initial Eigenvalues			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.164	45.200	45.200	2.713	38.751	38.751
2	1.231	17.583	62.782	1.682	24.032	62.782
3	.723	10.328	73.111			
4	.658	9.400	82.511			
5	.461	6.588	89.099			
6	.406	5.795	94.894			
7	.357	5.106	100.000			

Extraction Method: Principal Component Analysis.
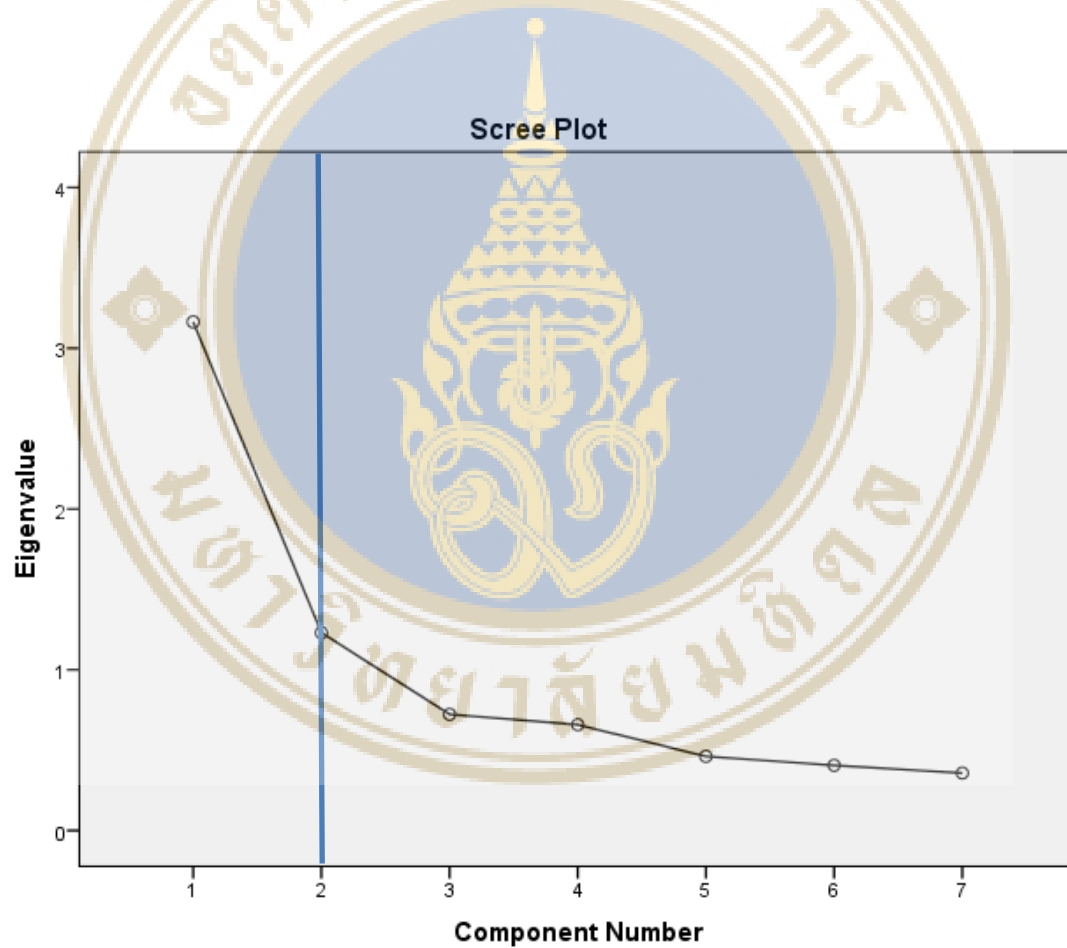
Scree Plot

Figure 4.4 Represent Eigenvalue of component

From Figure 4.4, the Scree plot shows 2 important component numbers of product attributes, which has Eigenvalue over than 1 that affect to consumer when they buy mobile phone.

Table 4.4 Rotated Component Matrix

Rotated Component Matrix[a]

	Component	
	1	2
Longer battery	.789	
Compatibility	.761	
Durable mobile phone	.746	
Easy to find/download applications	.718	
Email function	.619	
Popularity		.882
Brand		.864

"Daily Utilization"

"Branding"

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 3 iterations.

From Table 4.4, the results of each component can be grouped. The first component that affect to consumers when buy mobile phone is "Daily Utilization" and the second component is "Branding".

Regarding "Daily Utilization", the factors are consisting of longer battery, compatibility, durability, easy to find/ download applications, email functions. These factor loadings have the relationship and can be grouped as "Daily Utilization"

For the "Branding", the factors are consisting of popularity and brand of the mobile phone.

These two components are considered as the factor that can affect and relate to consumers' decision when they buy the mobile phone.

4.3 Country of Origin

Table 4.5 Mean and Ranking of product quality from each country

Country	n	Mean	Rank
Japan	185	4.34	1
America	185	4.32	2
Germany	185	4.2	3
Finland	185	3.7	4
South Korea	185	3.59	5
Taiwan	185	2.67	6
Thailand	185	2.42	7
China	185	2.23	8
India	185	1.86	9

Table 4.5 shows mean and ranking of the country of origin in term of quality regarding the mobile phone. Japan has been ranked as the number one country that has the highest product quality by having the mean of 4.34, and followed by America with mean of 4.32, Germany with mean of 4.2 and Finland with mean of 3.7 respectively. All of Asia countries, excluding Japan, have been ranked by lower mean than Western countries. South Korea got mean of 3.59, in the fifth position and it is the highest rank of Asia countries, excluding Japan. Taiwan got the sixth with mean of 2.67, follow by Thailand and China with mean of 2.42 and 2.23 respectively. The worst country regarding the quality of mobile phone is India with mean 1.86.

If local brands produce the comparable quality mobile phone with global brands, which of the following would describe your behavior?
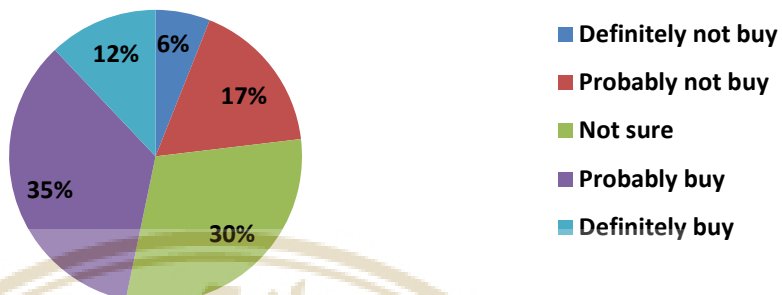
Figure 4.5 Represent the behavior of samples if local brands produce the comparable mobile phone with global brands

Figure 4.5 shows the results from samples if they will buy the local brand mobile phones with the quality which can be comparable with global brands or not. 12% of samples will definitely buy the local brand with this condition, and 35% of samples probably buy the local brand. 30% of samples are not sure if they will buy or not, and 17% of samples probably not buy the local brand, although it can reach the same level of quality of global brand. 6% of samples confirm that they definitely not buy local brand at all.

This result can describe the customers' ethnocentrism of samples in Bangkok. It is not clear that it could be the influencer factor of buying the local brand instead of global brand as there are 30% of samples who still not sure whether they will buy or not.

4.4 Brand perception toward global brands and local brands
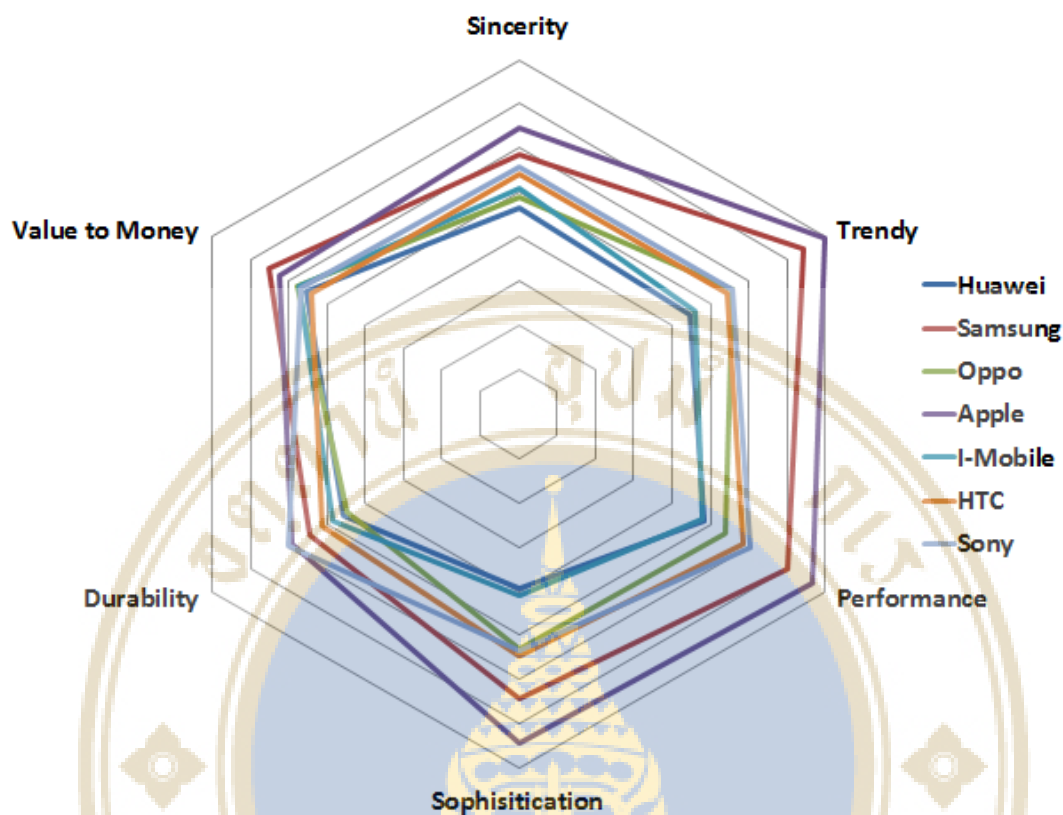
Figure 4.6 Represent the perception of samples in various dimensions

From Figure 4.6, the chart shows the perception of consumers, who are living in Bangkok, towards global brands and local brands. 6 dimensions of brand attributes, which can describe perceptions, are applied to the survey questionnaire.

Performance: This perception is consisting of "intelligence", "technical", "friendly use". The total score has been summed up and weighted by three. Apple has the outstanding perception from customers regarding the performance. The second brand is Samsung which also has much higher score when compare to the rest. HTC, Sony and Oppo are perceived almost the same regarding the performance perception. While I-Mobile and Huawei, two local brands, are perceived at the low performance.

Trendy: This perception is consisting of "up to date", "fashion" and "young". The total score has been summed up and weighted by three. Apple still got the highest rank follow by Samsung regarding the trendy of their brands perceived by customers. These giant global brands achieve a decisive victory over other brands.

Consumers perceived the trendy from HTC, Sony and Oppo at the same level. I-Mobile and Huawei reflect the old-fashioned perception from consumers.

Sophistication: This perception is consisting of "charming", "beautiful" and "feminine". The total score has been summed up and weighted by three. Apple reflects the most sophisticated brand in consumers 'view. The second is Samsung. The group of HTC, Sony and Oppo come after at the third rank. Two local brands, I-Mobile and Huawei are perceived as simple mobile phone.

Durability: This perception is consisting of "tough", "masculine" and "outdoorsy". The total score has been summed up and weighted by three. Sony and Apple, two global brands, got the highest perception in term of durability from consumers, while Samsung got the third rank. Consumers perceived the durability of HTC and I-Mobile almost the same, while perceived Huawei and Oppo as the fragileness mobile phone.

Sincerity: This perception is consisting of "down to earth", "honest", "trust" and "traditional". The total score has been summed up and weighted by four. The total score has been sum up and weighted by four. Consumers perceived Apple as the highest sincerity brand, follow by Samsung, Sony and HTC respectively. The rest are all of local brands, I-Mobile got the highest score among local brands in term of sincerity, follow by Oppo and Huawei.

Value to money: This perception is consisting of "worth for money", "affordable" and "support service". The total score has been summed up and weighted by three. Samsung can beat Apple regarding this dimension of perception from consumers and make Apple comes as the second rank. Oppo and I-Mobile, the local brands can also reflect the perception as same as Sony, the global brand, in term of value to money brands. HTC, which is the global brand, got the worst perception from consumers.

4.5 Overall results

From the survey results, the researcher found that most of samples have income higher than 15,000 Baht/month, which is above the average income being in the amount of 13581.09 Baht/month in the fourth quarter of 2014

(http://www.tradingeconomics.com/thailand/wages). It can reflect the sophisticated lifestyle of the samples that are living in Bangkok. Most of samples have the experience of buying mobile phone more than 2 times in their lives, and 66% had bought mobile phone more than 3 times. The results also show that samples prefer global brand than the local brand and it can confirm by the percentage of the brand that samples are using now, Apple and Samsung account for 84%.

The two main factors, which can affect buying decision of samples, are "Daily Utilization" and "Branding". Presently, regarding the factors of "Daily Utilization", the researcher found which consist of longer battery, compatibility, durability, easy to find/ download applications; email functions are put in mobile phone. These things are considered to be "must have" attributes that mobile phone suppliers must provide for consumers. Regarding "Branding", it is another factor that relates to buying decision of samples.

The country of origin can affect samples' perception regarding quality of mobile phone. Japan and all western countries got the good results than Asian countries. However, there is the conflict of results as Samsung has been accounted for 26% of the current brand that samples are using, while South Korean is ranked in 5th position. Moreover, customers' ethnocentrism cannot be reflected clearly by questions in the survey.

The results of perception of samples toward selected mobile phone brands can reflect the gap between each brand in consumers' mind in each dimension. Apple and Samsung are far ahead of other brands in every dimension except "Durability", "Worth to money" and "Sincerity". Sony got the highest score in term of Durability but it is classified as "not worth for money". HTC is not far from Oppo, the local brand in every dimension. I-Mobile can get better score than Huawei in every dimension.

CHAPTER V
DISCUSSION AND RECOMMENDATION

5.1 Discussion

Today, the competition in mobile phone industry in Thailand is very aggressive; especially in the sophisticated and high-potential area like Bangkok. From the survey, the researcher can notice and confirm by the monthly income of the samples that are living in Bangkok. Most of them have monthly income over 15,000 Baht per month and have the experience of using and buying mobile phone more than 1 time. It is the marketer job to examine the perception of these people regarding the mobile phone buying behavior.

After examining the current brands of mobile phones that these people are using, Apple brand is the majority brand and follow by Samsung. It's clear that two of these giant global brands can beat other brands and control mobile industry globally, not only in Bangkok. However, from the survey, the number of samples that are using local brand like Oppo or I-Mobile is close to the global brands like HTC and Sony. Huawei, who just launched business and accessed to Thailand market, is not popular among the samples. After examining the product attributes and found that two main factors are "Daily Utilization" and "Branding", it is quite clear that every selected brand have tried to provide all requested "Daily Utilization" which consists of longer battery, compatibility, durability, easy to find/ download applications, email functions to customers today. For "Branding", the results is going along with Cunningham, 2006 who mentioned that brand very powerful tool which can be one of the factor of buying of consumers as it can created a differentiated from competitor and also communicate features and benefits that consumers will gain by using such brand.

The researcher also found that Thai consumers, from samples; have the conflict of perception between their preferred brands and countries of origin. China, the base of production of Apple, was rank at 8th from the perception of samples regarding the product quality but Apple was rank at 1st regarding the brand that

samples is using now. It is the conflict from Batra, (2000) who mentioned that the country of origin can create halo effects to customers, especially to global brands. In mobile phone industry in Bangkok, Thailand, the country of origin cannot influence customer's perception regarding product quality of mobile phone.

Apart from perceptions toward each selected brand, another influencer factor is difference, and the researcher can see how difference it is from the survey of sixth dimensions of selected perceptions of each selected brand. Apple and Samsung are the leader in every dimension. Therefore, researcher would like to discuss about the rest and how distance they are far from each other.

Table 5.1 Perception score of each brand, excluding Apple and Samsung

Perception	High Score Brands	Mid Score Brands	Low Score Brands
Performance	HTC, Sony	Oppo	I-Mobile, Huawei
Trendy	HTC, Sony, Oppo		I-Mobile, Huawei
Sophistication	HTC, Sony, Oppo		I-Mobile, Huawei
Durability	Sony	HTC, I-Mobile	Oppo, Huawei
Sincerity	HTC, Sony	Oppo, I-Mobile	Huawei
Value to Money		HTC, Sony, Oppo, I-Mobile, Huawei	

From Table 5.1, the researcher can see that Oppo, the only one of local brands, can compete with HTC and Sony, global brands, in many dimensions.

Sony is very outstanding in term of Durability and can satisfy the rugged lifestyle people but mostly not living in Bangkok. If researcher classified brand perception as main factor of buying mobile phone of customers and look at the number of Oppo's users. A marketer should consider and focus more on about the Sophistication and Trendy perception of customers. The advertising and product communication should be created to in these two ways.

For I-Mobile, it has the mid score in term of Durability, Sincerity and Value to Money. Their marketing strategy should focus more on the rural area, outside Bangkok.

Huawei, it is very young brand in Thailand but this brand is very famous in China. The product of Huawei is full of functions and technologies. However, the perception of consumers in Bangkok is influenced by branding. Also, the country of origin might not create this bad perception to samples, but brand itself create these perception to customers.

5.2 Contributions and Implications

This research reveals the perception of selected global brand and local brand, which can refer to the population in Bangkok's perception. Almost 100% of samples prefer to use global brand mobile phones.

Main factors that can influence the consumer decision are "Daily Utilization" and "Branding". The researcher suggests all brands to develop and improve the daily utilization features and functions and consider these things to be "must have" attributes. For the branding, it depends on each brand to develop their own strategy to receive the good perceptions from customers.

Each brand can study more about each dimension of perception of customers to create a proper advertising and marketing campaign. Especially, Huawei, the youngest brand in Thailand, needs to put more investments and efforts to develop brand strategies to be more competitive in the market than today. Moreover, with the surprised successful of Oppo, which can be noticed in this survey regarding the current mobile brand that samples are using and the actual sales now, other local brands can study and develop marketing strategy to follow Oppo, or they might differentiate themselves to other dimensions of customers' perception. However, the researcher would like to suggest local brands to improve sophistication, performance and trendy in term of customer perceptions as the gap of these dimensions between local brands and the leaders, like Apple and Samsung, is very far from each other.

Also, a big brand should be aware of the country of origin of the product, as perception of a big base of production like China and India is negative and can be

related to poor quality of the mobile phone. They should emphasize on the origin of the brand, which can affect customers' perception easier, faster and more powerful.

5.3 Limitations and Future Research

In order to measure customers' ethnocentrism, further study should take CETSCALE as a tool. According to Shimp and Sharma (1987), CETSCALE has been developed to measure variables of the country of origin effect and also applied to measure and explain the variables of attitudes, purchase intentions, and consumer behavior. The result will be more accreted and précised.

Second, next study should focus and study more about a pattern of Double Jeopardy showing that among users, positive attitudes are fewer for local brands than global, in order to acknowledge perceptions of customers precisely.

Lastly, the time constraint is one of the limitations of this research. The sample size can explain only the generalization of each topic. However, it would be better if the researcher can conduct a further study by in-depth interview in order to understand the perception of samples deeper than the quantitative research.

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APPENDICES

APPENDIX A: QUESTIONAIRE

This survey is a part of research to complete thematic paper of CMMU. The objective of this questionnaire is to examine the perception of Bangkok customers toward global brand and local brand for mobile phone. Thank you very much for your valuable time. The survey will take about 10 minutes of your time. The information will be treated confidentially. Your cooperation is greatly appreciated.

Part 1:

You prefer to buy:

☐ Global Brand   ☐ Local Brand

Please score the following words you think that can represent to each brand (1 means not at all represent to such brands and 5 means extremely represent to such brands):

Attributes	Huawei	SamSung	Oppo	Apple	I-Mobile	HTC	Sony
Down to earth							
Technical							
Up to date							
Fashion							
Intelligence							
Young							
Trust							
Charming							
Traditional							
Honest							
Tough							
Masculine							
Feminine							
Outdoorsy							
Beautiful							
Affordable							
Worth for money							
Friendly use							
Support service							

Part 2: Please choose the following product attributes are important when you are buying mobile phone.

Attributes	Very important	Important	Common	Not important	Useless
High definition camera.					
Display of mobile phone.					
Durable mobile phone.					
Longer battery					
Size of mobile phone					
Easy to use.					
Full of functions					
Attractive design					
Sound quality					
Email function					
Body color					
Body material					
Special appearance					
Easy to find/download applications					
Compatibility					
Fashion/Trendy					
Price					
Supported Accessories					
Connectivity (USB/ WIFI/ 4G/ 3G/)					
Organized function					
Channel of distribution					
Popularity					
Brand					

Part 3:

1. Please rate how perception of quality you have in each of the following origin of country (1 means very bad quality and 5 means very good quality).

_____America   _____Finland   _____Germany

_____Japan   _____South Korea   _____China

_____Thailand   _____India   _____Taiwan

2. If local brands produced the comparable quality mobile phone with global brands, which of the following would describe your behavior? Check one:

Definitely buy   Probably buy   Not sure   Probably not buy   Definitely not buy

☐   ☐   ☐   ☐   ☐

Part 4: Personal Information

1. Gender

☐ Male   ☐ Female

2. Please check your age from the following categories

☐ 15-25 years old   ☐ 26-35 years old

☐ 36 or more

3. Income per month (after tax, total household, from salary and other sources).

☐ Less than 15,000 Baht   ☐ 15,001 – 25,000 Baht

☐ 25,001 – 35,000 Baht   ☐ 35,001 – 50,000 Baht

☐ More than 50,000 Baht

4. Are you living in Bangkok?

☐ Yes   ☐ No

5. Which mobile phone brand are you using currently?

_____Iphone   _____Samsung   _____Nokia

_____Oppo   _____I-Mobile   _____HTC

_____Sony   _____ASUS   _____Huawei

_____Dtac   _____AIS   _____True

_____Others please specify…………

6. This is your _____ mobile phone.

☐ 1st   ☐ 2nd

☐ 3rd   ☐ Others, please specify………

End of survey. Thank you for your participation