

**THE KEY FACTORS DRIVING FLEXIBLE PACKAGING  
DEMAND DURING THE REDUCTION CAMPAIGN  
IN THAILAND**



**A THEMATIC PAPER SUBMITTED IN PARTIAL  
FULFILLMENT OF THE REQUIREMENTS FOR  
THE DEGREE OF MASTER OF MANAGEMENT  
COLLEGE OF MANAGEMENT  
MAHIDOL UNIVERSITY  
2017**

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Thematic paper  
entitled  
**THE KEY FACTORS DRIVING FLEXIBLE PACKAGING  
DEMAND DURING THE REDUCTION CAMPAIGN  
IN THAILAND**

was submitted to the College of Management, Mahidol University  
for the degree of Master of Management

on  
December 23, 2017



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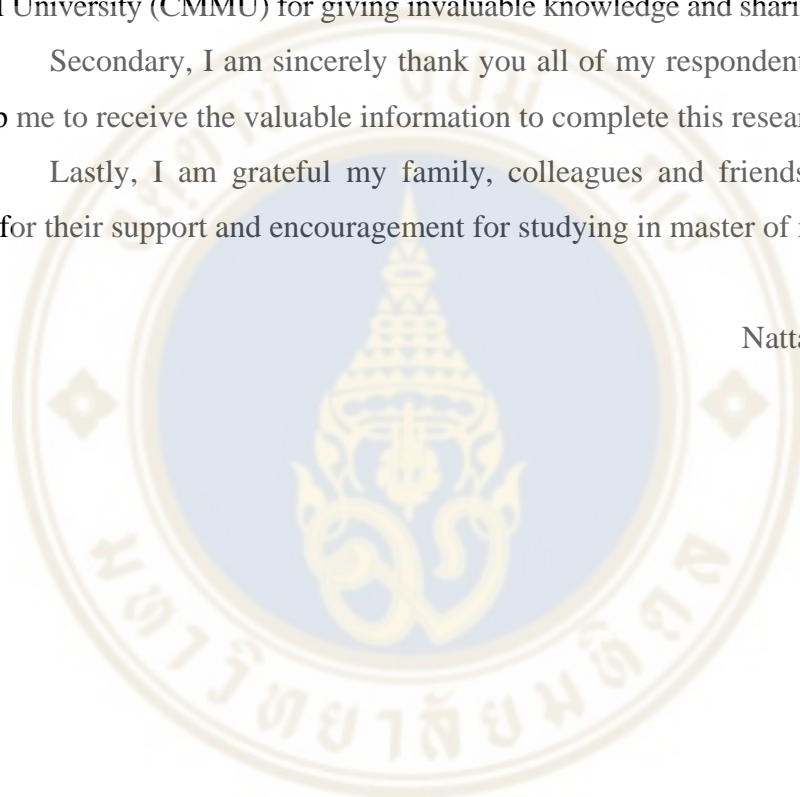
## ACKNOWLEDGEMENTS

My sincere gratitude went to my thematic advisor, Asst. Prof. Roy Kouwenberg, Ph.D. for his supervision and support throughout the course of thematic paper. Firstly, I would like to thank all my teachers and student service staffs at the College of Management Mahidol University (CMMU) for giving invaluable knowledge and sharing experiences.

Secondary, I am sincerely thank you all of my respondents for all support and help me to receive the valuable information to complete this research.

Lastly, I am grateful my family, colleagues and friends especially, my parents for their support and encouragement for studying in master of management.

Natta Kiattiratsamee



**THE KEY FACTORS DRIVING FLEXIBLE PACKAGING DEMAND DURING  
THE REDUCTION CAMPAIGN IN THAILAND**

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ABSTRACT

This purpose of this study is to find out what are the key factors driving flexible packaging demand in term of marketing mix during the reduction campaign in Thailand?" and what are consumer attitudes toward flexible packaging. Hypotheses were test by in-depth interview and collect data from five managers of plastic companies and five several consumers.

The result of this study showed three main factors that influence consumers to use flexible plastic packaging: consumer characteristics, the environmental effects, and the marketing mix.

KEY WORDS: Flexible Packaging/ Consumer Attitude/ Environment Impact/ Plastic/  
Reduction Campaign

31 pages

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## **CHAPTER I**

### **INTRODUCTION**

The research topic of this thematic paper is to study the key factors driving flexible packaging demand during the reduction campaign in Thailand.

At present, the fast development of technologies, economics, cultures, and societies lead the human to be more hurry not only for the working ages but for overall people, most of people have to be awake to work, study, and business to match with the high competitive societies. Refer to this case, Most of people and businesses have to manage their behaviors and lifestyles to conform to limit of time during this development period.

In terms of households, many families prefer to cook and enjoy to spend their meal time at home in the past, but in the present day, most of families decide to order ready to eat foods and fast foods for staying at home or going out to enjoy their meals at the restaurant. Thus, it could be said that most of consumers demand for convenience and fast to match with their lifestyles in the present time, ready to eat meals are very good option for people who are very busy and prefer some fresh or quality of foods and easy to enjoy some lunch or dinner.

In terms of food and beverage industries, they provide various packaging to serve customers and plastic packaging is in very high demand, for the supermarket, hypermarket, convenience store, and other relevant businesses, plastic bags are a key part of service to customers as a standard. When the demand for using plastic packaging is higher so, the supply should increase to balance with the demand in the market.

There are more than 3,000 plastic manufactures in Thailand and with the trend to more expansion in the future, even the government, private sectors and some plastic users are becoming concerned about the effects on the environment, human health, animals and pollution. “The durability of plastics and their potential for diverse applications, including widespread use as disposable items, were anticipated, but the problems associated with waste management and plastic debris were not. In fact the

predictions were 'how much brighter and cleaner a world [it would be] than that which preceded this plastic age' ” (Yarsley and Couzens, 1945).

Moreover, the government and many organizations try to control the number of using plastic by create many campaigns, explore the knowledge and effect of plastic toward the environment such as increasing or colleting tax for plastic bag, special point for non-shopping bag, even plastic is prohibit in some countries. However, the demand for flexible packaging continually keeps growing.

### **1.1 Research Question**

The main purpose of this study is “what are the key factors driving flexible packaging demand in term of marketing mix during the reduction campaign in Thailand?” and what are consumer attitudes toward flexible packaging.

### **1.2 Research Objectives**

1. To study Thai consumer behavior of demand for plastic used daily in term of trash bag, zipping bag, & food bag.
2. To analyze Thai consumer attitudes toward plastic's negative impact on the environment.
3. To understand the key factors driving flexible packaging demand during the reduction campaign in Thailand.

### **1.3 Research Scope**

The research in this paper will be limited to consumers in Thailand. The qualitative data will be collect by conducting interviews with the plastic packaging manufacturers and plastic resin (raw material) suppliers with five respondents and also five respondents from consumers.

#### **1.4 Expected Benefit**

1. To use the data to identify which factors are the key variables driving the increase in flexible packaging demand?
2. To more understand about the perception of consumers attitude and behavior in terms of marketing mix towards plastic packaging.



## **CHAPTER II**

### **LITERATURE REVIEW AND PROPOSED FRAMWORK**

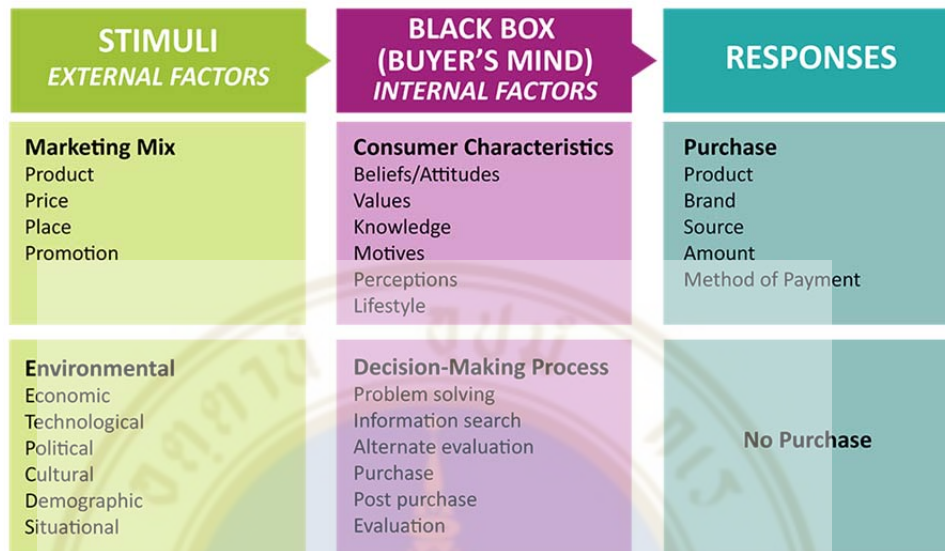
The existing literature was studied and analyzed with the objective to rationalize the key factors driving the demand for plastic products, especially flexible packaging, and explore the possible factors influencing consumers' attitudes associated with environment issues. The investigation led to assumptions and frameworks which are to be adopted in designing the methodology of the research in the next chapter.

#### **2.1 Types of plastic food packaging material**

The main roles of food packaging are to contain the food and protect food products from damage and outside influence (Coles 2003) distribute food, beverages, pharmaceuticals, other one time use or need to extend the shelf life products which provide two types of plastic food packaging material consist of rigid plastic and flexible plastic.

- Rigid plastic is the plastic packaging generate in term of bottle and box which the strong shapes and various sizes.
- Flexible plastic is the plastic packaging such as bag and envelope, made in various shapes, sizes, and function of use such as zips and spouts. (Smithers Pira, 2017).

## 2.2 Influential factors for driving flexible packaging demand during the reduction campaign in Thailand



**Figure 2.1 Model of Buyer Behavior**

Source: Armstrong and Kotler (2003)

As illustrated in the figure above, the external stimuli that consumers respond to include the marketing mix and other environmental factors in the market. By the internal factors affecting consumer decisions can be defined as the “black box” which composed of variety of factors inside the consumer’s mind. As a consumer responds to external stimuli, their “black box” process choices based on internal factors and determine the consumer’s response to make a purchase or not to purchase.

### 2.2.1 Consumer characteristics

The internal factors affecting consumer decisions which consist of a variety of factors that exist inside the consumer’s mind such as their attitudes, knowledges, values, motivation, perception, and lifestyle.

2.2.1.1 Attitude: Consumer attitude defined as a general evaluation belief of feeling with respect to a product or services (Oskamp and Schultz, 2005).



2.2.1.2 Knowledge: Consumer knowledge defined as their aware understanding about the products in fact and its function. The knowledge may be came from their experiences.

2.2.1.3 Values: Consumer values defined as satisfaction, feeling or the benefit that they believe to receive the benefit after making a purchase for goods or services.

2.2.1.4 Motivation: Consumer motivation defined as internal state that drives people to identify and purchase products or services to fulfill their needs or desires which also motivate them to repurchase or find out the difference goods and services that better than the past to fulfill their needs.

2.2.1.5 Perception: Consumer perception defined as awareness that come from the advertising, social media, personal experience, and other public relation channels.

2.2.1.6 Lifestyle: Consumer lifestyle defined as psychographics as factors to generate how consumer make their buying decisions. The lifestyles consists of motivations, needs, wants and also influenced by family, social class, culture and etc.

## **2.2.2 The environmental factors**

The external factors which influence consumer to support their perception and also help them to make decision to generate and purchase products or services which consist of economic, technological, political, cultural, demographic, and situational.

2.2.2.1 Economic: The demand for plastic products and packaging tends to follow the general trend of economic growth. The demand for plastic manufacturers continually increases every year. By 2012, the total sales of packaging is 36% in Asia and in the next coming year 2018, Asia is predicted to represent over 40% of global demand (Smithers Pira, 2013). As Thailand is the second-biggest food exporter in Asia, it requires a lot of plastic packaging for containing foods, ingredients, fruits, and some drinks thus, there are more than 3,000 plastic manufactures in Thailand and with the trend to more expansion in the future.

2.2.2.2 The development of technology: Biodegradable plastics are currently use in food packaging, shopping bags, and agricultural applications. Biodegradable packaging materials have to guarantee that help to extend the shelf life

of products. Moreover, biodegradable plastics have to comply with the same regulations with respect to food safety as fossil-based plastics, and many bio-based plastics have certificates to prove that they can be used in food-contact applications. (Oever, M. V., Molenveld, K., Zee, M. V., & Bos, H., 2017)

2.2.2.3 Political: In Thailand, food packaging is regulated by the Food Act, B.E. 2522 (1979), which prohibits the production, importation, and distribution of impure, adulterated, substandard, and otherwise banned foods. Notably, the Food Act defines "impure" foods to include "food in containers made of materials which are likely to be dangerous to health." (Thai Food Act B.E. 2522, 1979)

Further, the environmental impact affects use of plastics in present times. Global warming and waste management are main problems associated with using too much plastics. The government and most organizations try to acknowledge people or consumers by providing information about the impacts on the environment, such as, for example; global warming, plastic waste and pollution. Moreover, they also create some plastic reduction campaigns to encourage people or consumers to show more concern about the negative side effects of using too many plastic packaging. For example, using a cloth bag instead of plastic bags, giving extra points or special discounts for taking no plastic shopping bag from the store, etc.

2.2.2.4 Cultural: Cultural is defined as every society having its own culture that include basic values, perceptions and behaviors which can distinguish from the others. The culture could be learned from families, societies, and institutions in the same place or country. Therefore, culture is the most fundamental cause of a person's needs, wants and also their behaviors (Claessens, 2015). For example, most of supermarkets, hypermarkets, shopping malls, and other retailers provide shopping bags to customers as a standard aspect of shopping culture in Thailand.

2.2.2.5 Demographic: Demographic segmentation can defined as market segmentation according to age, family size, gender, country, income, and education.

2.2.2.6 Situational: The situational could be one of factor to help consumer to make decision to purchase products or services as the situational can help both of consumers and manufacturers predict the economic situation, their budgets and market trends.

### **2.2.3 Marketing mix**

The marketing mix is a very important concept of the marketing plan. Many companies create marketing strategies or concept aim to earn maximized profit. The 4Ps are price, place, product and promotion (Marshall and Johnston, 2010).

2.2.3.1 Product: Product can be defined as anything that delivers value to serve and fulfill consumer needs (Marshall and Johnston, 2010). Consumer always buy products that they recognize and have positive attitude before compared with the other brands. Technology help to support the quality of products and provide more functional use as well as the varieties of products.

2.2.3.2 Price: Pricing strategy is the key factors to attract the intention of consumers. By the way, the development of technology support the lower cost of production and also increase quality of products.

2.2.3.3 Place: Place includes company activities that make the product available to target consumers (Armstrong and Kotler, 2003). For flexible packaging, it distributed in many supermarkets, hypermarkets, convenience stores and retailer shops as it transform in food packaging such as food zipper bag, freezing bag, frozen bag, and etc.

2.2.3.4 Promotion: Promotion is one key success factor for the company to create brand awareness, positive attitude and perception toward consumers through advertising, marketing campaign, sales promotions, and etc.

### **2.2.4 Buying Decision Process**

When making decisions concerning the purchase of products or services, consumers conduct a five-stage method for their purchase decisions which consist of needs identification, search for information and options before purchase decision and post- purchase behavior (Marshall and Johnston, 2010). Many consumer decisions are based on a combination of their past experience, marketing and noncommercial information (Schiffman and Kanuk, 2004).





**Figure 2.2 Buyer Decision Process**

Source: Armstrong and Kotler (2003)

2.2.4.1 Need recognition (Problem solving): The buyer recognizes a problem or need. The need can be influenced by internal stimuli from one's personal needs. Such as, hunger, sex, social class enough to become a drive. A need can also be influenced by external stimuli (Armstrong and Kotler, 2003).

2.2.4.2 Information search: The second step before making a purchase decision, most information is provided by the marketer through the marketing channels, advertising, or news. However, consumers are likely to remember the negative information and avoid to consume products or brands that receive negative evaluation (Shiffman and Kanuk, 2004).

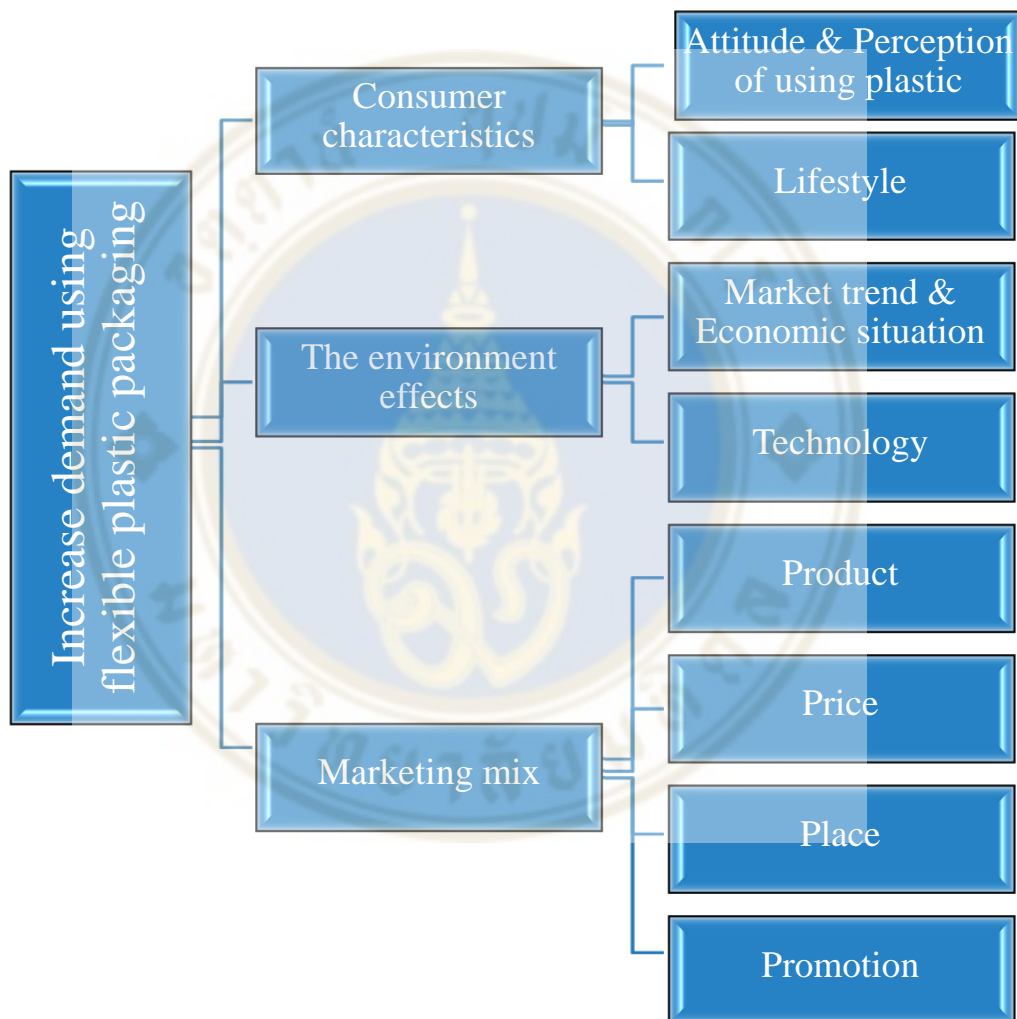
2.2.4.3 Alternative evaluation: The attitude and perception toward different brands of a consumer's mind are used in the evaluation procedure. The way that consumers evaluate their purchase alternatives depends on the individual consumer and the specific buying situation (Armstrong and Kotler, 2003)

2.2.4.4 Purchase decision: This step occurs after the consumer has already searched for information and evaluated alternatives, then they will buy products or services that can fulfill their needs.

2.2.4.5 Post purchase behavior: The last step of the buying decision process (Kotler and Keller, 2011). If the product or service does not fulfill their need or meet consumer expectations, the consumer is disappointed and has a negative attitude and perception toward that product or service.

## 2.3 Conceptual Framework

According to theory, the environment effects, consumer characteristics, and marketing mix factors could have an intention on consumers. Then they will buy flexible plastic packaging in term of trash bag, shopping bag, zipper bag, and food bag for their daily use. The following model explains the conceptual framework to be used in this study.



**Figure 2.3 Conceptual framework**

## **CHAPTER III**

### **RESEARCH METHODOLOGY**

#### **3.1 Research Design**

The goal of the research is to investigate the key factors driving flexible packaging demand during the reduction campaign in Thailand. This study will use qualitative research method to collect data. The qualitative approach aims to understand the attitude, key factors to driving flexible packaging, market trends, environment impacts, innovations and experiences of respondents (Merriam, 2009), in this case managers of plastic packaging manufacturing companies and several consumers. It provides information about their opinions and behaviors, which provide insightful results that could help to describe information in detail (Denzin and Lincoln, 2011).

In-depth interviewing was selected to collect information from five managers of plastic companies and five several consumers. For the purposes of this research, interviews were done on an individual basis with only the researcher and respondent present. Thus, researchers were able to ask any questions and follow up on answers with searches for supplementary details when unique or unusual behavior was needed for research (Zikmund and Babin, 2010).

#### **3.2 Population and Sampling**

In this research, the target population were people who use flexible plastic packaging in daily life and managers of plastic companies. For qualitative research method, because of limited time, the sample group focuses on five managers of plastic companies and five respondents who normally using flexible plastic in daily life who are located in greater Bangkok area, which includes the surrounding areas of Nakhon Pathom, Nonthaburi, Pathum Thani, Samut Prakan, Choburi, and Samut Sakhon. They will be interviewed using in-depth questions with open-ended answers to share their experiences, environment impacts and knowledge of product development.

### 3.3 Data Collection

To identify the factors, the researcher has to collect data from the respondents. An in-depth interview is applied to individual respondents in order to explore their product knowledge and experiences. The interviewer also used open-ended questions, which give the opportunity to the respondents to express their experiences, opinions, and knowledge (Babbie, 2008). Thus, it would help the researcher to gain insightful information for analysis of the outcome. The interviews may take around 20 minutes each.

To study the factors influencing flexible packaging buying decisions regarding the reduction campaign, the researcher separated the questions into two groups which consist of five managers of plastic industries and five consumers who use plastic in daily life and also divided into three parts. The first part aimed at getting answers about the general and personal information. The second part asks about the consumer attitude and their perception toward the flexible packaging while the manufacture will more focus on the factors that drive the demand of production and market trend. By the ways in this research also asks about how marketing mix factors affect the purchasing decisions of flexible packaging. The marketing mix is an important concept to earn and maximize profit and serve customer needs.

The list of questions for five managers of plastic industry are provided as follows:

- Part I: Personal information
  1. Position in the company
  2. Work experience
  3. Personal background (education, etc.)
  4. Company history
- Part II: The factors that drive demand for flexible packaging in Thailand
  5. Who is your target market and how much consumption per day/month?
  6. What is your high/low season for production?
  7. What are your main target products?
  8. What are the key factors to drive consumption and production?  
(ex: growth of food industry)
  9. Please advise about the market trend of flexible packaging in present day?

10. How does the brand impact on customer decisions to buy flexible packaging?
11. Do you have any promotion to attract customer attention?
12. How does technology help to develop the production, function and quality of outputs?
13. Do the plastic laws impact on your production?
14. What do you think about the practice that most retailers in Thailand provide plastic bag as a custom?
15. How do you think about the environmental impact of using flexible plastic packaging?
16. Referring to the government launch of the reduction campaign, does the company seek out any solution to help with this case?
17. Are you concerned about biodegradable products?
18. How do you think about the future market and product developments?
19. What are key trend to drive flexible packaging growth during the reduction campaign in Thailand?
20. Do you have any suggestions?

The list of questions for five consumers are provided as follows:

- Part I: Personal information
  1. Gender
  2. Age
  3. Occupation
  4. Salary
  5. Education background
  6. Lifestyles (a. Living at home, condo or dorm./ b. Frequency of buying ready to eat foods, frozen foods, use of plastic bags.)
- Part II: Consumer behaviors and attitudes
  7. How does the quality of a product impact your buying decision?
  8. How does the brand have an impact on your buying decision?
  9. How does the packaging have an impact on your buying decision?



10. How do you think about most of retailers in Thailand provide plastic bags as a custom?
11. What do you think about the environmental impact of using flexible plastic packaging?
12. Refer to government launch the plastic packaging reduction campaign, do you make (or plan to make) any changes to help with this issue?
13. Are you concerned about biodegradable products?
14. What are the key trends to drive the demand of flexible packaging during the reduction campaign in your opinion?
15. How does the price of packaging have an impact on your buying decision?
16. How often do you buy flexible packaging?
17. Where do you buy flexible packaging?
18. How much do you pay per bill?
19. How do promotions have an impact on your buying decision?
20. What types of promotions will make you decide to buy?
21. How do advertisements have an impact on your buying decision?
22. Do you have any suggestions?

### **3.4 Data Analysis**

Content analysis methodology is widely used in qualitative research to analyze information (Hsieh and Shannon, 2005). Hsieh and Shannon (2005) state that there were three approaches to analyzing content text data: conventional, directed and summative. Coding types are obtained from data text in conventional analysis. Lastly, summative analysis includes counting and comparisons, which would be used to interpret underlying context. As a result, a research analyst would be used to interpret data appropriately (Hsieh and Shannon, 2005).

## CHAPTER IV

### FINDING AND DISCUSSION

This study of the “keys factors driving demand of flexible packaging during reduction campaign in Thailand” employed qualitative research methodology. Data collection was done by conducting in-depth interviews. The sample consisted of ten respondents separated in two groups: five plastic industry managers with more than three years of work experience and living in Bangkok and surrounding metropolitan areas. While another five respondents are people who consume the flexible packaging in their routines in terms of food and beverage packaging and shopping bags, living in the Bangkok area. The data analysis was divided into three parts as follows:

#### 4.1 Consumer characteristics

The internal factors affecting consumer decisions which consist of a variety of factors that exist inside the consumer’s mind.

##### 4.1.1 Demographic

Demographic segmentation can defined as market segmentation according to age, gender, occupation, country, income, and education.

##### 4.1.1.1 Demographic data of consumes side

**Table 4.1 Demographic data of consumes side**

Demographic background	Count	Frequency percentage (100%)
Gender		
Male	1	20%
Female	4	80%

**Table 4.1 Demographic data of consumes side (cont.)**

<b>Demographic background</b>	<b>Count</b>	<b>Frequency percentage (100%)</b>
Age range		
22-25	2	40%
26-30	2	40%
31-35	1	20%
Education background		
Bachelor's degree	2	40%
Master's degree	3	60%
Occupation		
Business owner	1	20%
Officer	4	80%
Type of business		
Online Fashion	1	20%
Retailer	2	40%
Service provider	1	20%
Manufacturer	1	20%
Salary (THB)		
15,000-20,000	1	20%
20,001-25,000	2	40%
25,001-30,000	1	20%
30,000-35,000	1	20%
Living lifestyle		
Home	3	60%
Condominium / dorm	2	40%
Frequency of shopping or buying delivery food		
1-3 times/week	3	60%
4-7 times/week	2	40%

From the table above, it can be seen that the interviewer focuses on interviewees between the ages of 22 - 35 years because this targets could represent consumers with city living lifestyles very well as they are new generation or millennials who are very rushed and prefer something that is convenient and time saving. Moreover,



the interviewees also had experience for using the flexible plastic packaging at least 1-3 times per week.

#### 4.1.1.2 Demographic data of plastic industry managers

**Table 4.2 Demographic data of plastic industry managers**

<b>Demographic background</b>	<b>Count</b>	<b>Frequency percentage (100%)</b>
<b>Gender</b>		
Male	1	20%
Female	4	80%
<b>Position in company</b>		
Country Manager	1	20%
Purchasing Manager	2	40%
Sales Manager	1	20%
Market development Manager	1	20%
<b>Work experience</b>		
4 years	2	40%
7 years	1	20%
10 years	2	40%
<b>Education background</b>		
Bachelor's degree	4	80%
Master's degree	1	20%
<b>Type of industry</b>		
Supplier (Raw Material)	2	40%
Manufacturer	3	60%

According to the above data table, most of interviewees had at least 4 years work experience at the manager positioning in flexible plastic industry in term of suppliers and manufacturers.

For the two suppliers, they are raw material suppliers which origin at Middle-East countries consisted of United Arab Emirate and Qatar and import to Thailand, and well-known in flexible plastic packaging industry.

For the three manufacturers, they produce the packaging or final output under the request of third party or their customers such as food industries, health care industries, textiles, and etc.

#### **4.1.2 Lifestyle of consumers**

Consumer lifestyle are defined as psychographics factors that drive how consumer make their buying decisions.

Three of interviewees living at home and the other two interviewees living at condominium and dorm.

Interviewees 1 and 2 said “I stay at home with my family”

Interviewees 3 said “I stay alone at home because my family or hometown is not in Bangkok but they have a home here.

Interviewees 4 said “ Actually, I have both of house and condominium but I prefer to stay at condominium on working days because it near the office and I prefer to stay alone when I have to do and overtime work.

Interviewees 5 said “I stay at condominium because it is very convince for me and time saving for going to work”.

Most of managers of flexible plastic industry informed that the consumer trend in present day more prefer and focus on the convenience lifestyles.

Managers 1 to 5 said “the customer trends in nowadays seek out the thing that easy and convenience to fulfill their needs and wants as they are busy and high competition pressure”

#### **4.1.3 Attitude and perception of using flexible plastic packaging toward environment impact**

Consumer attitude can be defined as most of Thai consumers did not concern too much about the environmental impact of plastic packaging when compared with the other countries.

Consumer perception can be defined as they know that using plastic bags is harmful with the environment, especially “global warming”, as many industries and government try to reduce the demand of using plastic bag by create campaign to encourage people to be more concerned about the pollution such as waste management and also

cooperate with some retailer to create the special promotion or discounts. But, in fact consumers still drive the increased demand to use it because of its functions.

Interviewees 1 said “In fact, Thailand did not foster to care about environment conscious and the norm of Thai people seem to be lazy and prefer some easy as you can see that when you go to shopping, most of service staff will provide you a plastic bag without to request even you bought only one product but for me I will not refuse to receive the bag if I bought only one or two products.

Interviewees 2 and 5 said “I know that using plastic bag is not good with the environment but it convenience for me to carry my stuffs when I go to shopping without plan but I try to reduce using plastic bag by re-used the empty bag as a trash bag”.

Interviewees 3 said “I think that people did not concern about the environment, I found some consumer request more plastic bags at supermarket”

Interviewee 4 said “This is inconvenience truth because plastic bag is convenience for shopping without planning at the supermarket or hypermarket but if I have a vacation and plan before, I will bring the cloth bag but it did not mean that I am very concern about the global warming because I think it did not only one cause”.

Managers 1 said “Actually, people did not care too much about the environment impact even most of industries try to pretend that they concerned. As you could see that Central provide some extra reward point if the customer did not receive the bag but this campaign did not get customer’s attention as much as can”.

Managers 1 and 2 said “Big C and lotus provide very thin plastic bag, it did not mean that they concern or care about the environment impacts but they just reduce their costs. So, the quality of plastic bag is very bad as you could see that when you bought some heavy product, the staff had to provide double plastic bag to prevent broken that lead to increase the wastes.

Managers 3 said “Many food packings try to use flexible film to contain products as bags such as jelly because plastic had the light weight and easy to carry. Moreover, right now most of convenience stores also use plastic to cover the spoons, forks, and straws to make them more clean in customer eyes. Thus, the plastic bag and packaging still popular even it harmful with environment. For our company, we concerned

about the environment so, we had the environmental friendly materials to help reduce the environment problems”.

Managers 4 and 5 “Most of manufacturers more focus on market trend and what customer want rather than the environment impact, most of retailers provide plastic bag to serve convenience to their customers”

## **4.2 The environment factors**

The external factors which influence consumer to support their perception and also help them to make decision to generate and purchase products or services which consist of market trends and the economic situation, the development of technology, and the marketing mix.

### **4.2.1 Market trend and economic situation**

The demand for plastic products and packaging tends to follow the general trend of economic growth, market trend, their target market, and factor that push the production growth. To develop a clearer picture, I will separate the managers depending on the type of industries, which consist of two producers and three manufacturers.

#### **4.2.1.1 Producers**

Managers 1 and 4 said “As a raw material producers, their target market are the manufacturers that produce the flexible plastic packaging which overall consumption around 4,000MT based on sales allocation per month, the high season of production in Q2 while low in Q4. For the market trend they suspect that the demand for packaging increase because it related with many industries especially for food industries”.

#### **4.2.1.2 Manufactures**

Managers 2 said “We re-export the final product to main target customers in Japan which our main products are zipper bag, garbage bag, shopping bag, and food bag. We found that the demand for flexible plastic packaging growth in the country that during the development (Asia zone) rather than Europe. The factors that help to increase the volume of using plastic bag came from both the growth of related business (foods, packaging, hospitalities, and retailer) and consumers themselves.

Managers 3 and 5 said “Market trend for the flexible packaging continue growth in present day because the growth of food industries and consumer lifestyles that more prefer the convenience functions for example; our main products are flexible plastic packaging which consist of zipper bag, shopping bag, trash bag, frozen bag, and foods bag. So, we could see that right now most customers use zipper bag to contain foods, vegetables, and personal cares because of function (they no need to find the rubber to bind the general food bag)”.

#### **4.2.2 The development of technology**

Technology helps to expand more product varieties, to increase added value, and to reduce costs of production.

Biodegradable plastics are the development of technology to be friendly with the environment as they more easily decompose than crude oil flexible plastic packaging. And the function and safety uses are the same as general flexible plastic packaging because they produce under the plastic laws requirements. However, the costs are higher when compared with the traditional plastic packaging materials.

Managers 1, 2, 4 and 5 said “Biodegradable products are the new development but they did not famous in Thailand plastic industries because higher price than crude oil plastic resins which lead to higher costs of production. But for the development of technology in term of machines could help to reduce the costs of production, more effectiveness such as more safety, increase the volume of outputs, could add more function such as multi colors, design, and etc.

Managers 3 said “To support the concept of plastic reduction campaign and be friendly with the environment, our company suggest TDPA™ technology to use in the plastics, packaging, composting and waste disposal industries”.



### 4.3 Marketing Mix

This factor is concerned with product quality, branding, packaging, price, place, and promotion. Respondents were asked to provide comments accordingly:

#### 4.3.1 Product

The quality of flexible plastic packaging in point of consumers view are quite important because most of flexible packaging is zipper bag, garbage bag, shopping bag, frozen food bag, and etc. use to contain the foods and beverage.

Branding of flexible plastic packaging does not affect the consumer buying decision because they do not more focus on brand for this type of products, but they will concern about the brand and quality of products that are contained in the packaging.

Interviewees 1, 3, and 4 said “when I buy some foods or consumer products the packaging can attract my first attention but in fact, I will more concern about the quality and brand of products rather than packaging itself”.

Interviewees 2 said “I focus on quality and price more than brand, I always bought the household brand for zipper bag because of price and quality is meet standard”.

Interviewees 5 said “I did not think too much about the brand, I just brought the one that I like should be the good packaging such as kitty screen and etc.”

For the manufacturers, they made to order for the final packaging as sometime the third parties may request a specific raw material to use in production so, the brand does not affect them.

#### 4.3.2 Price

Both of manufactures and consumers agree that the price is competitive affect their buying decision, but not too much, because customers just grab and go without comparison with the other brands.

##### 4.3.2.1 Consumers

Interviewees 1, 3, and 4 said “they buy one pack of zipper bag one time per year to contain the consumer goods as travel kits and others accessories, they can reused it more than two times to contain the travel kits. So, the price did not affect them too much.

Interviewees 2 said “I focus on standard quality with good price or higher price with good quality and design”.

Interviewees 5 said “I do not more focus on price because if the quality and design is not difference and I did not bought too many times”.

#### 4.3.2.2 Producers

Managers 1 and 4 said “Most of manufactures focus on the price because the flexible plastic packaging is a commodity product so, the price is very competitive expect the third party request the manufactures to use specific grade and brand of the raw materials”.

#### 4.3.2.3 Manufactures

Managers 2, 3, and 5 said “The price of raw materials are important to us in term of costs of production and benefit but it did not too much for flexible plastic packaging because the price was very sensitive for this grade and they had many producer in market thus, if they offer too high we just change the new one except our customers request those materials”.

### 4.3.3 Place

Nowadays the zipper bag, garbage bag, shopping bag, etc., are distributed at supermarkets (Tops), hypermarkets (Big C, Lotus) and category killers (IKEA and Makro).

#### 4.3.3.1 Consumers

Interviewees 1 to 5 said “They bought the zipper bag at hypermarket and supermarket”

#### 4.3.3.2 Producers and manufacturers

Producers provided raw material and delivered to manufacturer factories and after manufacturers produced the final products they may delivered product to third party or third party pick up at their factories depend on negotiation.

### 4.3.4 Promotion

In fact, most of retailer stores in Thailand do not offer the promotion for this type of products and most of consumers are willing to pay without promotion.

#### 4.3.4.1 Consumers

Interviewees 1 to 5 said “promotion is not effect to much for them if the price is not too much difference but they may interest if the producers offer special promotion as buy 1 get 1 free, they may buy more or more interested to buy”.

#### 4.3.4.2 Producers

Managers 1 and 4 said “In fact the raw material could sell by itself but we may offer some discount to manufacturers in sometimes when they face with some problem such as shipment delayed or product could not use”.

#### 4.3.4.3 Manufacturers

Managers 2 said “they said that the garbage bag or other plastic bags are answer the consumer lifestyles in the development countries to serve convenience to them who are busy and hurry. Moreover, the plastic bags is using as a part of routines for garbage storage and shopping. So, even they do not provide the promotion, customers still demand them”.

Managers 3 said “In term of buying raw material, some supplier or producer provide discount at the end of the year when we reach the volumes or may be provide some trip to build and keep good relationship to each other.

Managers 5 said “We never give any promotion to our customers even through, the products were damage but we accepted to claim the new one to them”.

## 4.4 Discussion

There are many attributes that can influence factors for driving flexible packaging demand during the reduction campaign in Thailand. From this qualitative research study, the result came out that there are three main factors that influence consumers to use flexible plastic packaging: consumer characteristics, the environmental effects, and the marketing mix.

For consumer characteristics, most of consumers prefer convenience and easy lifestyle rather than being concern about the environmental problems. Thai consumers did not aim to be more nature and health conscious even though the government and others try to create the plastic reduction campaign and point out the effect of using too many plastic bag, but consumer’s perception accepts it only as an inconvenient truth.



Moreover, some interviewees point out that most of the companies also did not really care about the environment issues, they just pretend to be a part of the campaign and create some promotion to support their sales.

In terms of the environmental effects, food industry trends became part of factors that increase the demand of using flexible plastic packaging. Most of manufacturers try to reach their target by using the development of technology to create the uniqueness and functions of products. The benefit of effective technology could help manufacturers reduce costs of production and have more price gap to offer the final products into the market which also benefit both of consumers and manufactures in term of saving costs and making cheaper products with standard quality. Moreover, biodegradable plastics are also interesting for the future market if the price becomes more competitive.

For marketing mix, the quality of the product is one of important for consumers to make the decision when they decide to buy flexible plastic packaging but for the brand, it seems not to have too many effects with customers because they did not think too much about this. Consumer just buy the product that they like may because of the design and function itself.

Price influences consumer buying decisions, but not too much because the flexible plastic packaging is a commodity product which the market can control the price tightly and most of industries and consumers use it in daily life such as trash bag, shopping bag, sanitary bag, and etc.

Place did not really affect the consumer buying decision because the most final or finished outputs are available in the retailer store and online shop where consumers can easily buy it. But for the raw materials, the producer derived to manufacturer factories.

This research indicates that many buyers make purchases during 'Buy One Get One Free' promotional periods because it saves a lot of money. So, to increase sales volume, the venders should offer some promotion to attract customer attention because they have no promotions offers for this type of products. But from the manufacturers' viewpoint, they point out that the commodity products can sell by itself without promotion. The demand for flexible plastic also follows the increasing demand in the plastic packaging industries, food industries, etc., which continue to grow in present day and future.

## **CHAPTER V**

### **RECOMMENDATIONS AND LIMITATION OF THE STUDY**

#### **5.1 Conclusions**

This research studied the influencing factors for driving flexible packaging demand during the reduction campaign in Thailand. Regarding the conceptual framework, the influence of consumer characteristics includes attitudes and perceptions of using flexible plastic packaging toward the environment impact and lifestyle. The environment effects consist of the marketing mix elements, including product, price, place and promotion. A qualitative method was used to collect data by in-depth interviews with five managers of producers and manufacturers who had more than three years work experience in the plastic industry and five of respondents who possessed experience in using and purchasing zipper bags, food bags, shopping bags, and trash bags for their daily and occasion using. For the factors affecting buying decisions related to the marketing mix, consumer characteristics, and the environment effects, the results from the interviews revealed that respondents emphasized the following factors from the most important factor to the least important factor, which are attitude, lifestyle, and market trend, development of technology, product quality, price, promotion, and place.

Overall, the study demonstrated that some findings were consistent with previous research on perception of consumers in Bangkok area towards store-provided plastic bags. And buying decisions regarding the environment impacts of using too many plastic bags. However, a few noteworthy differences emerged.

Firstly, most Thai consumers are not conscious about the environment impacts of using too many flexible plastic packaging because their lifestyles more focus on convenience. Even though using too many plastic bags is not good, but it seems to be an inconvenient truth. Moreover, most retailer stores in Thailand provide plastic shopping bag for their convenience as a basic service, without training both of consumers and staffs to learn to be concerned about the problems of pollution and other environmental impacts. Moreover, many retailers pretend to be concerned about the problem but in

fact, they also had some profit motives in mind such as producing thinner plastic for shopping bags, as it help to reduce the cost of production. However, it does not help to reduce the problem, it is worsening the issue instead. Because the low quality of shopping bag cannot be reused as a trash bag and cannot contain heavy weight products such as bottles as it will break. So, to contain the heavy product, people have to use more than one piece. Hence, this way will increase the negative waste management impact.

Secondly, flexible plastic packaging demand is driven by many industries such as food industry, hospitality, retailers, and etc. So, when the food industry grows, it will influence the demand of using flexible plastic packaging also. Moreover, the development of technology is also one of key point to increasing the demand as there are more product varieties, functions, and designs in term of packaging available. Next, technology also help to reduce cost of production and to increase capacity of outputs then, which allows venders to have more profit and reduce the selling price in the market. For the biodegradable plastics, raw materials are also new development that will replace the resin from crude oil. However, but they are not widely used in plastic packaging production in Thailand because most of manufacturers and consumers lack of knowledge about the real function of how to use and decompose them, and the production cost is higher than the material made from crude oil.

Thirdly, according to the development of technology, consumer attitude and lifestyle can be defined as most of respondents prefer to more focus on the quality of product and its function rather than the brand. Moreover, consumers do not compare too much about the price because for the final product, as the price is not too different and flexible plastic packaging (trash bag, shopping bag, and etc.) is a commodity product that consumers use daily so, they just grab and go or buy the one that they like the color or design. But for the raw materials, the price is competitive because it affects the costs of production and profitability.

On the other hand, promotion and place do not impact consumer decisions too much because the products are available from many channels such as supermarkets, hypermarkets, online shopping, etc. As flexible plastic packaging can also be used as general purpose such as garbage bag, promotion cannot persuade consumers to buy except “buy one get one free”.

Lastly, we cannot reduce or stop the trend of economic growth and of using more flexible plastic packaging easily. However, we can cultivate consumers to try to become more conscious about the impact on the environment by starting from family, and the schools should provide the waste management classes starting for children. The private sector should train their staff and try to reduce using plastic as much as it can. Moreover, the government should create some campaign and policy to encourage people to participate not only to explore the knowledge for example, in some country has the machine to return used plastic and also provide cash back for the return which calculate from the weight and size of plastic. This way could get consumer attention and be more practical that everybody could joy then, there is better ways to encourage them to emphasize on the pollution and improve the waste management as well.

## **5.2 Limitations of the Study and Recommendations for Future Research**

The limitations of this study include its small sample size and the scope of respondents. Firstly, the sample size is small as there are only ten respondents who were interviewed which consist of five managers in plastic industry and five consumer who use flexible plastic packaging in their daily life. Further, participating respondents resided in the metropolitan area of Bangkok area, which includes the surrounding areas of Nakhon Pathom, Nonthaburi, Pathum Thani, Samut Prakan, Choburi, and Samut Sakhon. This small scope of respondents may not be able to represent all Thai consumers' decisions. Thus, future research should collect data by sampling a larger group from a larger geographic region, as well as conducting in-depth interviews with respondents in both urban and rural areas to obtain more diverse opinions. Moreover, this research was prepared by conducting interviews with only producers and manufactures of plastic industries. Therefore, the researcher proposes that future studies perform observational research on the end user's needs such as food industry in the aspect of long shelf life and also keeping the quality of food, design, and packaging. And also conduct more studies with the millennials and children to better understand about their lifestyle and how the school and organization teach them about our impact on the environment. Then, manufacturers and all sectors could better understand the lifestyle and knowledge to develop flexible plastic products to match with their needs and reduce the negative effects on the environment at the same time.



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