

**UNDERSTANDING THE CUSTOMER PERCEPTIONS TOWARD
TAO BIN BRAND BETWEEN LIGHT AND HEAVY SHOPPERS
IN ORDER TO SUSTAINABLY DRIVE HEAVIER CONSUMPTION
AMONG EXISTING SHOPPERS.**



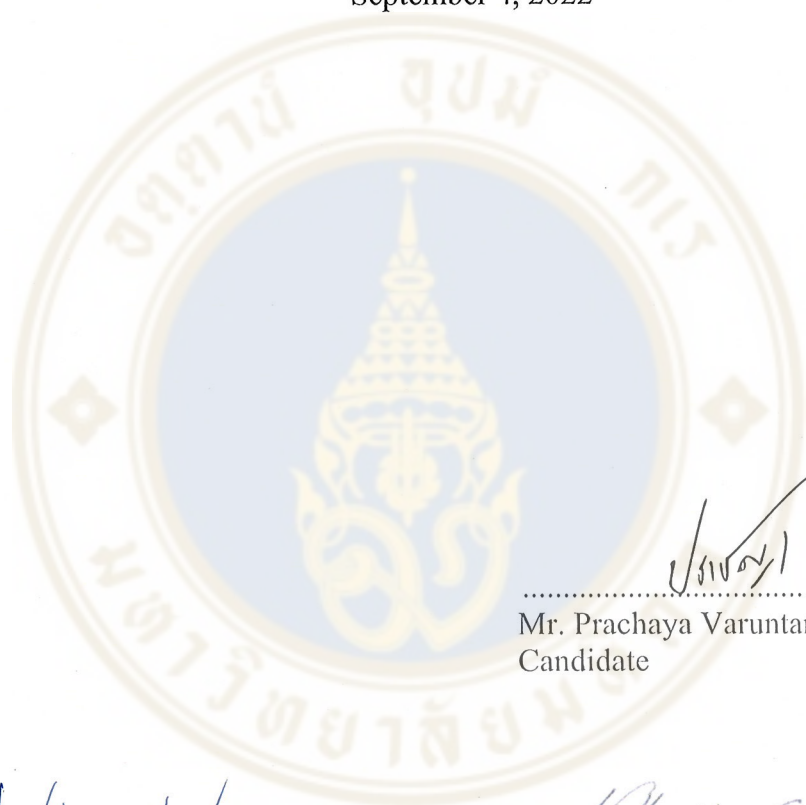
**A THEMATIC PAPER SUBMITTED IN PARTIAL
FULFILLMENT OF THE REQUIREMENTS FOR
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Thematic paper
entitled
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was submitted to the College of Management, Mahidol University
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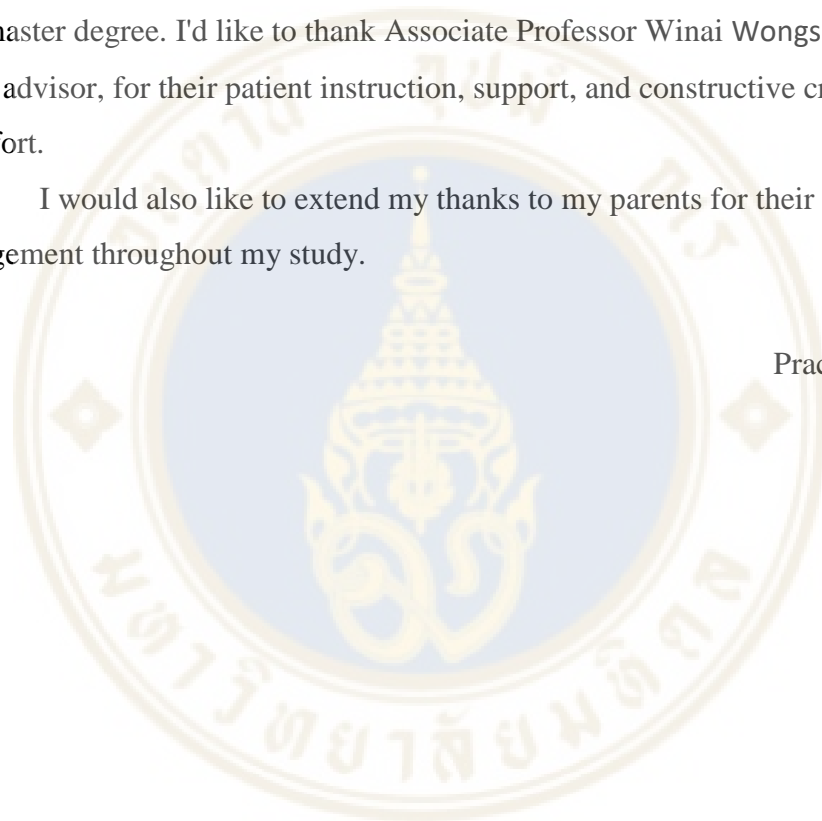
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Prachaya Varuntanya



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ABSTRACT

This study intends to study the growing trend of vending machines over the world including in Thailand that shows the Tao Bin phenomenon. Tao Bin vending machine became very popular and favorable among customers within 2 years. This is the fascinating point in Thailand during the Covid situation after the trend of delivery. Tao Bin can generate a large amount of revenue and expand rapidly with positive feedback. Moreover, it became a viral trend, especially on social media.

The fast growth of the business leads to the question that is it will be a sustainable business. Customers tend to repeat purchases, or they just trail the product according to the trend. However, the business is still young. We can only distinguish customers based on their level of consumption. Therefore, this research will study and compare both Tao Bin light buyers' and heavy buyers' groups on the brand perception aspect there are four main key constructs: Brand Association, Perceived Quality, Perceived Value, and Brand Loyalty. Understanding both buyer' groups will let us see the potential of the Tao Bin clearer and the opportunity to create sustainable growth by converting light buyers to heavy buyers through the brand equity aspect.

KEY WORDS: CUSTOMER PERCEPTION/ BRAND EQUITY/ VENDING MACHINE

27 pages

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CHAPTER I

INTRODUCTION

If the writer mentions the Forth company, there will be a few people who know about it. Even the company operates for decades in electronic manufacturing service. However, if I mention Tao Bin beverage which is a fresh brew coffee and beverage vending machine, audiences will instantly recognize it from the popularity and widespread word of mouth on the social network.

FORTH CORPORATION PUBLIC COMPANY LIMITED has 3 key business segments which are the Electronic Manufacturing Service business, Enterprise Solution Business, and Smart Service Business (SET, 2021). Tao Bin is one of the business units under the scope of the smart service business which provides online service or sells products through the vending machine. Due to the innovation of the Tao Bin beverage vending machine, Nowadays, it is very viral, popular, and outstanding among other beverage vending machines. The keywords (“เต๋abin” and “ตู้เต๋abin”) are being searched on google in total around 100,000 times per month on average (Google Ads, Keyword Planner, 2022). This is the result of the machine not only dispensing the RTD beverage according to the order in the packaging of the can and bottle, but it is also freshly brewed the beverage. Moreover, the capability of the machine can brew various menus up to around 170 menus whether coffee, tea, or non-caffeine product such as milk, frappe, fizzy drink, and energy drink. Each menu is also able to order as hot, cold, and blend processes. Recently, the machine can make a cup of congee too. Plus, it can customize the order on the level of sweetness and add on such as an additional coffee shot for the menu.

Tao Bin beverage machine was launched in the first half of 2021. Even though the 2021 income statement of the Forth company did not show the effect of Tao Bin’s revenue much due to the Covid situation, the Forth company’s stock price skyrocketed from 6.1 to 21.2 baht at the end of 2021 and eventually around 40 baht at quarter 2 of 2022 (SET,

2022). Nevertheless, K. Pongchai Amatanon Forth company's executive chairman said that Tao Bin Beverage can sell up to 300-500 serves a day and the revenue can reach 60,000 baht per machine per month (Brand inside, 2022). Moreover, the company plan to expand the machine to 5,000-6,000 points within this year according to the manufacturing capacity (Brand inside, 2022) which drives a more and more optimistic image and shows the growth opportunity of the business. Furthermore, in order to raise the capacity of manufacturing the machine, Forth Company has the plan to let the Tao Bin business initial price offering in the capital market to raise funds.

It can be said that Tao Bin beverage transform the vending machine industry from just dispensing the prepared product to varieties and customization products. However, this innovation and more value-added is also the key factor that drives the viral trend of Tao Bin. Therefore, there is a curiosity that how long the popularity of Tao Bin beverage will have. The demand for Tao Bin will stay the same in the long term while the viral and eagerness for trial is decreasing. Therefore, the study will analyze the characteristics of Tao Bin's customers and how they value and be motivated differently from the other vending machine shoppers. This research also wants to understand the characteristics of Tao Bin's shoppers which will enhance the understanding of the new market. Plus, the possibility to drive the customer consumption to be more loyal and repeat consumption.

CHAPTER II

LITERATURE REVIEW

In order to study the difference between light and heavy shoppers of Tao Bin. The brand Tao Bin can be said that it is also unique and different from the other vendors by innovation. The brand intends to position itself as high quality with an affordable price which will lead the brand stands out from other existing coffee shops. However, the innovation did not lead only to the quality, but it drives the viral trend too which is a temporary effect. In contrast, the brand of the beverage vending “Tao Bin” will be more last long. The customers will be directly influenced by the perception of the brand but the consumption intensity and repeat consumption intention are derived from various elements of the brand.

Therefore, this study will construct on the majority basis of brand equity. The definition of Aaker on the brand equity is “a set of assets (and liabilities) linked to a brand's name and symbol that adds to (or subtracts from) the value provided by a product or service to a firm and/or that firm's customers” (Aaker, 1996). However, there are several researchers that give the definition of brand equity. For example, Keller gives brand definition of it as “the differential effect of the brand knowledge on consumer response to the marketing of the brand” (Keller, 1993). The several definitions from the various research results in various detail so this research will be strict with Aaker’s brand equity model (Aaker,1991) and supporting with the other researchers.

Aaker’s brand equity model has five key main elements which are Brand Loyalty, Brand Awareness, Perceived Quality, Brand Association, and Other Proprietary Brand Assets. These elements consider can be considered as intangible assets of the company which provide value to both customer and company. Therefore, the key construct for studying the different perceptions of Tao Bin’s heavy and light customers is Brand Association, Perceived Quality, Brand Loyalty, and Perceived Valued, excluding Brand

Awareness. This is due to the strong similarity between the Brand Association and Brand Awareness.

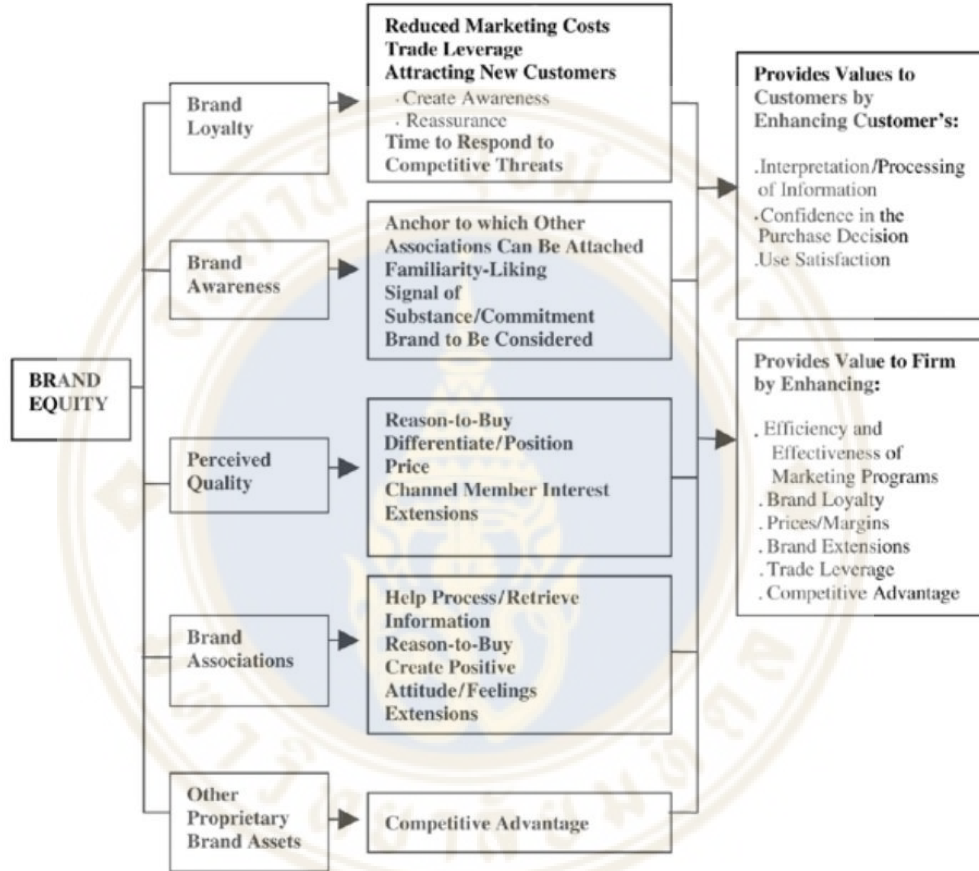


Figure 2.1: Aaker’s Brand Equity Model

2.1 Brand Association

Brand Awareness and Brand association are considered as the brand equity elements in Aaker’s brand equity model (Aaker, 1991). Both concepts are similar in terms of the customer recognizing and perceiving the brand. However, there are areas that are

different. Brand awareness is more focusing on the ability of the customer can recognize the brand and be in the consideration set in the buying process. It shows the linkage between the brand and customer memory. This association includes thoughts, feelings, impressions, and perceptions (Aaker, 1991) (Keller, 1993). These associations are regarded as the brand or its product category. This results in the way that customers perceive the brand. The related feeling can occur from both aspects. The situation of that brand can lead to the feeling of how the marketplace perceives it (Wear & Heere, 2020) or vice versa that the product category or a particular occasion reminds about the brand. The brand association has a direct impact on brand equity. Therefore, the positive brand association will drive a positive brand image and brand equity. Therefore, the customer can be reminded of the brand element and create an opportunity to purchase. In a further step, the brand association has a significant positive impact on customer purchase intention (Bashir, 2019).

2.2 Perceived Quality

In the food and beverage industry, quality is a very important factor. Quality in the context can be defined as the superiority or excellence of a product and service (Aaker, 1992). The quality will be judged based on customer judgment. The producer will not be able to disrupt it. Therefore, to perceive quality, customers need to compare the different brands on their own experiences. Perceived quality among customers can mean that the brand has a better quality. This can lead to differentiation from other brands (Konuk,2018). In the broader aspect, the perception of the quality of the product and service also reflects the quality of the retailer and brand too (Pappu & Quester, 2006). Perceive quality can provide the reason to buy for the customer (Macário & Jose Sarto, 2021) which can impact the customer's choice.

2.3 Perceived Value

Perceived value is another key factor that impacts customer satisfaction and behavioral intention. The product and service are perceived based on the customer's perception between the gained benefit and paid effort or cost. In another word, it is the trade between what the customers will receive and what they need to give (Zeithaml, 1988). Since the benefit outweighs the sacrificed efforts will result in value. Perceived value will directly influence customer satisfaction and environmental quality (Rahijan, 2018) The higher value that customers perceive the higher their willingness to pay the premium price. (Kim, 2012)

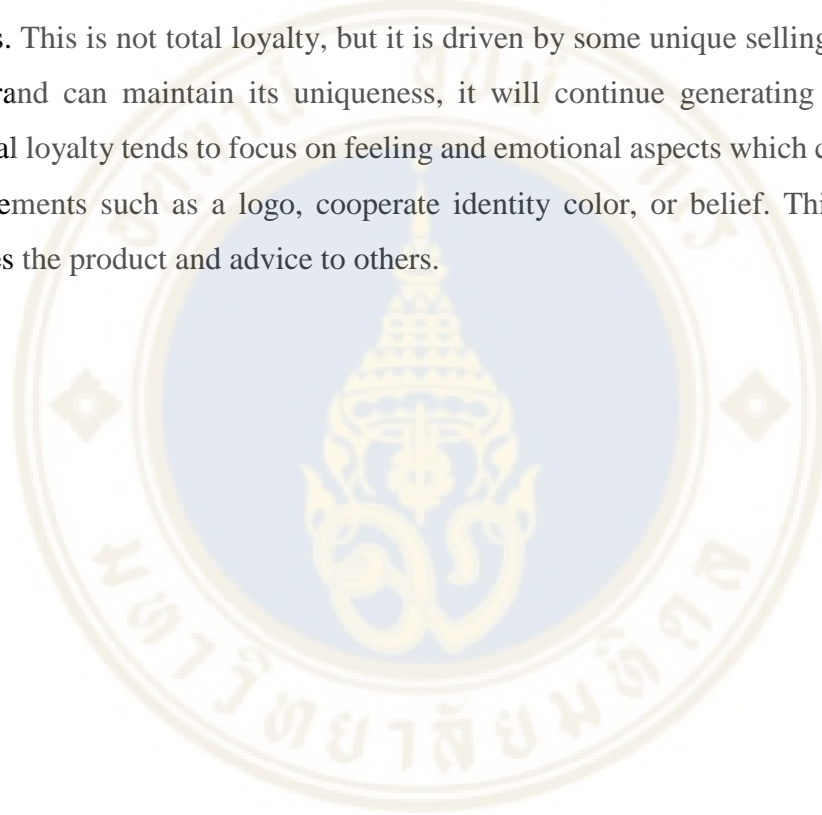
In terms of restaurants, the important element that drives satisfaction and perceived value more is the good quality of food, service, and environment. Food quality is an important element to show the core value of the restaurant (Kim et al., 2013). This research will focus on these 3 elements and find out what value it leads to. The higher perceived value of the brand would attract more customers.

2.4 Brand Loyalty

The definition of brand loyalty is the intention to buy the same brand regularly in the future due to a positive attitude towards a brand (Aaker, 2014). Brand loyalty is a preferable attribute that businesses want to enhance. It can be defined as the degree to which customers tend to repeat purchases and engage with the same brand continuously (Aaker, 2007). Enhancing brand loyalty will strengthen the relationship between the brand and customers which will lead to a positive attitude of the customers and brand protection behavior (Dick and Basu, 1994). To elaborate, the customer who is the brand loyalty is not only to choose the same brand but is also to recommend the brand, have less price-sensitivity, and not complain about product failure (Rust and Oliver, 2000). This customer's positive attitude can reduce the effort in marketing activities significantly (Yeğin, 2021). Furthermore, brand loyalty can take a role as the barrier to entry in a highly competitive environment which will reduce pressure from competitive rivalry (Bozbay & Baslar, 2020).

Brand loyalty can classify into two aspects: attitude and behavior (Ghorbanzadeh & Rahehagh, 2020). Attitudinal loyalty focuses on the level of commitment that customers have to the brand, while behavioral loyalty focuses on the willingness to repurchase the same brand (Hwang & Kandampully, 2012). However, the intention of strengthening brand loyalty is to lead the customer to have more repurchase behavior

Brand loyalty can distinguish into two aspects which are Behavioral Brand Loyalty and Attitudinal Brand Loyalty. Behavioral brand loyalty will focus on purchasing activities. This is not total loyalty, but it is driven by some unique selling point. However, if the brand can maintain its uniqueness, it will continue generating cash flow. Then attitudinal loyalty tends to focus on feeling and emotional aspects which can be anything in brand elements such as a logo, cooperate identity color, or belief. This loyal customer purchases the product and advice to others.



CHAPTER III

RESEARCH METHODOLOGY

3.1 Research Design and Methodology

According to the purpose of the thematic paper on finding perceptions of the different Tao Bin's customer groups, it is significant to find the insight of the customers on their needs, behavior, attitude, and motivation which result in their level of consumption based on the brand equity elements. Therefore, an Individual Depth (In-depth) Interview, which is one technique of the qualitative research methods, is the most suitable for this study. This technique will be conducted as open-ended questions which are more flexible than the quantitative method that more efficient on the scalable questionnaires. This strength of an In-depth Interview makes the researcher can collect the data and explore the reason, in detail, why did the interviewee have a specific behavior, feeling, and perception.

3.2 Data Collection and Sampling Plan

For the collection of data, the In-depth interview was organized on the online meeting conference, mainly on the Microsoft Team platform. All participants are existing Tao Bin customers that have purchasing experience with Tao Bin's products and service of Tao Bin's vending machine. According to the main topic of the thematic paper that requires understanding two groups of customers, which are heavy and light buyers, the respondents are separated into two groups. The first group is heavy buyers that purchase Tao Bin more than 20 times and the second group is light buyers that purchase Tao Bin less or equal to 5 times. For the light buyers, there are additional criteria that their first-time purchasing Tao Bin needs to be longer than 1 month. This qualification helps ensure that they are authentic light buyers not just less consumed from lack of occasion. To cover most aspects of Tao Bin customers, there are other criteria to select the interviewees on their drink preference

which preference was separated into two majority groups as coffee buyers and non-coffee buyers. Therefore, participants in heavy and light buyer groups had at least 1 person that is mainly a coffee buyer and another one that is mainly a non-coffee buyer.

The key finding of the data collection focuses on the linkage between factors (Brand Association, Perceived Quality, Brand Loyalty, and Perceived Value) and the four groups of customers (Heavy Coffee Buyer, Heavy Non-Coffee Buyer, Light Coffee Buyer, and Light Non-Coffee buyer) before focusing on the identical and different perception across these four customer groups. This results in understanding the success of Tao Bin and the opportunity to drive the sustainable growth of Tao Bin by driving heavier customers through the brand equity aspect.

In this research, there are 7 interviewees, which are 4 heavy buyers and 3 light buyers. Moreover, they also have a coffee drinker only, a non-coffee drinker only, and a mixed drinker. Therefore, the following paragraphs are their brief background

Table 3.1 Interviewees' information

Type of Consumption	Drink Preference	Background
Heavy Buyer	Coffee Drinker	<p>Sample1: Atom</p> <p>Interview date/time: 14 Jun 2022 10:30 PM</p> <p>Location: Microsoft Team Meeting</p> <p>Duration: Around 30 minutes</p> <p>Personal Information: He is a government officer in the ministry of finance. Currently, he is back to work on-site 100%. He only drinks the milk coffee and usually drinks it every morning the weekday. During the work-from-home situation, he drinks coffee from Tao Bin vending machine at least 3 times a week. He buys Tao Bin at his residence.</p>

Table 3.1 Interviewees' information (cont.)

	Mixed Drinker	<p>Sample2: Nut</p> <p>Interview date/time: 16 Jun 2022 2:00 PM</p> <p>Location: Microsoft Team Meeting</p> <p>Duration: Around 30 minutes</p> <p>Personal Information: He is an employee in the agency firm in marketing, freelance, and owner of a small fashion shop. He still works from home around 4 days a week. He usually drinks coffee in the morning, especially americano, and other beverages menu in the afternoon such as milk coffee (Caramel macchiato and latte) and refreshment drinks (blended menu or sweetness menu). He uses Tao Bin service at least 2 times a week. He drinks both coffee and non-coffee from Tao Bin. He usually buys at the machine at his residence.</p>
		<p>Sample3: Cherrie</p> <p>Interview date/time: 18 Jun 2022 10:30 AM</p> <p>Location: Microsoft Team Meeting</p> <p>Duration: Around 30 minutes</p> <p>Personal Information: She is the project manager in the financial website. She mostly works from home as the hybrid policy. She usually drinks coffee and tea. She often has 2 beverage menus a day in morning one and in the afternoon one. In the morning, she drinks coffee as she claims that she is coffee addicted. She uses Tao Bin vending machine at least 2 time a week but she prefers to buy non-coffee menu as blended matcha latte. She drinks Tao Bin from the machine nearby her resident.</p>

Table 3.1 Interviewees' information (cont.)

	Non-Coffee Drinker	<p>Sample4: Nok</p> <p>Interview date/time: 18 Jun 2022 1:00 PM</p> <p>Location: Microsoft Team Meeting</p> <p>Duration: Around 20 minutes</p> <p>Personal Information: She is an analyst in the market research company. She works at the office at least 2 days a week. She drinks beverage in the afternoon. She can drink coffee but prefers the non-coffee menu. For Tao Bin, she drinks at least 2 times a week according to the day that work at office. The favorite menus from Tao Bin are blended Oreo and cocoa caramel. She drinks Tao Bin at the office.</p>
Light Buyer	Coffee Drinker	<p>Sample5: Preaw</p> <p>Interview date/time: 16 Jun 2022 4:00 PM</p> <p>Location: Microsoft Team Meeting</p> <p>Duration: Around 20 minutes</p> <p>Personal Information: She works in the family business which 100% works on site. She drinks coffee once a day, but the time of consumption is depended on the day. So, she might drink in the morning or afternoon. For Tao Bin, she only drinks once a month and chooses to drink non-coffee menu as blended Oreo. She has tried Tao Bin at residence.</p>

Table 3.1 Interviewees' information (cont.)

	Mixed Drinker	<p>Sample6: Balloon</p> <p>Interview date/time: 18 Jun 2022 1:00 PM</p> <p>Location: Microsoft Team Meeting</p> <p>Duration: Around 20 minutes</p> <p>Personal Information: He is senior marketing associate at the e-commerce platform. He still works from home more than go outside due to the hybrid policy but not restrict much. He usually coffee (Iced Cappuccino and hot piccolo latte) and tea (Hot tea and matcha latte) drinker. He tends to drink in the afternoon. He drinks Tao Bin beverage less than once a month. He has tried Tao Bin at BTS station.</p>
	Non-Coffee Drinker	<p>Sample7: Mine</p> <p>Interview date/time: 13 Jun 2022 7:00 PM</p> <p>Location: Microsoft Team Meeting</p> <p>Duration: Around 30 minutes</p> <p>Personal Information: She is an agency in advertising media firm. Currently, she still works from home. Due to non-coffee drinker, she buys the refreshment drink (Cocoa, milk tea, and Thai tea) in the afternoon (13.00 onwards). For Tao Bin, she tried the Thai tea menus at her friend's residence. She buys Tao Bin less than once a month.</p>

Table 3.2 Interview Questions

Topic	Question
Interviewees' Background	<ol style="list-style-type: none"> 1. What is your name and what is your current profession? 2. Are you still working from home, working onsite, or hybrid? 3. How often are you buying beverages further than bottled water? 4. Which period during the day that you buy beverages? 5. What is your favorite drink? you can answer more than one 6. Is that the most frequent drink that you buy? 7. When is your first try at the Tao Bin beverage? 8. How did you know about it? 9. How many times that you drink Tao Bin since the first trial? And how often that you use Tao Bin per week? 10. What are the drinks that you most frequently drink? 11. Why do you buy that drink from Tao Bin beverage? 12. Where do you usually buy it?
Brand Association	<ol style="list-style-type: none"> 13. What do you think about when said about the coffee or beverage café? 14. What do you think about when said about Tao Bin? 15. Why do you think about those elements? 16. Which occasion will you think about Tao Bin?

Table 3.2 Interview Questions (cont.)

<p>Perceived Quality and Perceived Value</p>	<p>14. Can you tell me your experience using the Tao Bin beverage vending machine? Maybe the latest time.</p> <p>15. Has the experience been the same or different from other cafés, street vendors, and vending machines?</p> <p>16. Has the particular experience led to any feelings?</p> <p>17. What is the benefit of Tao Bin?</p> <p>18. What is the effort and cost that need to pay on each occasion?</p>
<p>Brand Loyalty</p>	<p>19. Have you purchased Tao Bin more often than other brands?</p> <p>20. What will you mention about Tao Bin if there are someone ask about it?</p>

CHAPTER IV

FINDING ANALYSIS

After constructive individual depth interview sessions, there are many fascinating points that can be categorized into each factor. Moreover, the fact-finding based on the respondents' experience can show the key identical point of customers across every customer group and key differentiating points in each specific customer group. The following paragraphs are the analysis of the qualitative finding.

4.1 Brand Association

In the broad aspect, all respondents have experience with Tao Bin, so they know the existence of the brand Tao Bin and have brand awareness. However, if I mention about beverage industry in whatever type of store (Café, Tea shop, and Beverage Street vendors), Tao Bin still cannot gain this share. In terms of branding, the other high reputation competitors such as Starbucks, Cha-Tra-Mue, and Casa Lapin have a higher association ability with the beverage industry across both Tao Bin's light and heavy buyers. The more important aspect of the beverage industry is that the customers will recognize a favorite drink first when before the store.

On the other hand, Tao Bin still has the strength and distinctive of its brand association too. In the customers' perception, Tao Bin can create a strong linkage with the words: convenient and affordable, and accessible. These three words appeared from every participant in these interviews when we discuss how they remembered Tao Bin. The convenience aspect of Tao Bin is driven by three main points. Firstly, the machine is ease-of-use. There is a friendly user interface and user experience. Therefore, it provides a good customer experience during the first trial, and this qualification is stamped into the customer's memory. Furthermore, one respondent said that "Even though she is not a tech-

savvy person, she does not feel worried or afraid to use Tao Bin”. Moreover, the machine gave her an experience that is the ordering process already done? why it is so easy? Secondly, it is convenient from the service speed of the machine. In case of no waiting line, customers need to spend less than 3 minutes for a serving. Thirdly, it is about the convenience in terms of time available. This point is raised by most buyers who purchase Tao Bin at their residence which they have a pain point on the limited choice during the evening and night. Therefore, Tao Bin, which opens 24/7 and has plenty of menus, can solve the pain point of the residential customers. Then the affordability is directly associated with the price of Tao Bin’s menu which is lower than the other medium to high chain brands. This is an interesting point because if the price of Tao Bin compares with the same tier coffee brand, it is not very different. The linkage between accessibility and customer memory is the result of the rapid branch expansion of Tao Bin. Most interviewees shared that they easily find Tao Bin in most places they visited.

The difference between the heavy buyer’s group and the light buyer’s group on brand association is that the heavy buyers tend to have a specific consumption occasion to drink Tao Bin rather than the light buyers. This creates a stronger brand association and can compete with other reputed brands not only when customers see the vending machine. Therefore, during that specific period, most interviewees in the heavy buyer’s group will think about Tao Bin and their favorite Tao Bin menu. Another difference point in the brand association is that most heavy buyers have the linkage between Tao Bin and ease of payment. This is due to the various payment method that Tao Bin has, and it tends to cover every current possible method. In contrast, the brand association among light customers links to the excitement and the sense of wondering how it works and enjoyment while choosing the menu and waiting for the drink. Light buyers also mention the hygiene and cleanliness that comes after the sense of excitement dries out. They said “to order Tao Bin, it is kind of enjoyment, but they have a doubt that it can provide a lot of menus how they clean the dispenser inside the machine.

4.2 Perceived Quality

The quality of the product and service is actually based on the customer's judgment. Therefore, the perceived quality through customer experience will directly vary based on the customer's expectations. Most respondents give the opinion that Tao Bin drinks are good, especially for the refreshment menu such as Thai Tea, Matcha Latte, Pink Milk, and Blended Oreo which has a lot of compliments. However, the word "good" in the customer aspect compares with the shop in the similarity tier such as All café, Arigato coffee, Arabus café, and other street vendors which have the same price range. The interviewees do not set high expectation for the Tao Bin and the brand can achieve those expectations which make them feel satisfied with the product quality. However, the coffee menu is slightly different. The coffee menu tends to just meet the expectation of the interviewees. Both heavy buyer and light buyer groups perceived that the quality of coffee is not so good, and it is worse than the capsule coffee machine (Dolce Gusto, Nespresso and etc.). Another outstanding product quality is the consistency of the taste. This is also the benefit of using the machine to brew every cup and customers also perceived it.

In terms of perceived service quality, most interviewees tend to give compliments to Tao Bin from both customer groups, due to the good system of the machine on the user-friendly aspect and the ability to customize the menu. In contrast, there are negative aspects, but it is different points from a different group. Although the heavy buyers often buy Tao Bin, they also face the disappointment of the service period that staff needs to temporarily close the machine and refill or maintain it. The service period will be faced with higher frequency in the prime area. Light buyers perceived other aspects. The light buyers choose to not select Tao Bin due to no sitting space. Moreover, even the heavy buyers, some also said in the same way that "He will buy only for drinking at home, drinking at an office or driving as a grab and go, but he will not carry the drink around in the public space, especially in Covid situation."

4.3 Perceived Value

According to the Brand Association and Perceived Quality part, Tao Bin links with many positive words and shows good quality. However, in terms of value, the customer should consider it as a benefit, and it needs to outweigh the cost or effort that they pay for. Tao Bin actually does it well. This is due to the strength of Tao Bin that customers also associate with which are convenience, affordable, and accessibility. Every interviewee in both consumption groups agrees with these. These three association aspects are repeatedly mentioned in the perspective of reducing the cost in terms of financial and in terms of effort.

In addition, the effort that is mainly reduced from convenience and accessibility is the time which shows in many aspects according to the interviewees. Therefore, one of the Tao Bin values is “timesaving”. The Tao Bin machine can reduce the time to choose the shop whatever physical store that is also near the interviewee or an online store to order delivery. It can reduce traveling time, which is mentioned mostly by the heavy buyers who use the Tao Bin service at the workplace and residence. Plus, it can reduce processing time. The time that uses for ordering and brewing is less than the traditional beverage shops from the interviewees’ perspective. However, there is a point to consider that if there is a waiting line for 2 people or more, the benefit of saving time will disappear. This is due to the brewing capacity that can brew only one service at a time.

Next, the affordability of Tao Bin is always mentioned with the taste quality of Tao Bin drinks. The taste of Tao Bin might not be delicious as the specialty coffee, tea, or beverage shop but it is better than the affordable price tier shop for the refreshment drink which is highly over interviews expectations, and it meets or a bit over expectation for the coffee menu. Therefore, this drives the value of “Worth for money”.

Moving to the different perceived value constructs between Tao Bin’s heavy and light buyers, Light buyers perceive exploration as the value of Tao Bin while heavy buyers perceive the value of Tao Bin skew is skewed more in functional value terms.

Every interviewee who is a light buyer considers that the machine provides a sense of exploration. This sense is crated since the customer starts using the machine. There

is plenty of menus that make the customer fun to explore and try on another occasion. However, this feeling can lead to the repertoire, but they do not eager to drink as a routine. After they finished ordering, they also continue to have fun exploring the process of how the 1 square meter machine can produce a drink and many menus. All of these are the result of the innovation of the Tao Bin machine that is not experienced before. However, for the light buyer, Tao Bin requires to pay more effort on some occasions, especially in the mall. They think that there are other spaces that charge a bit higher price but can enjoy with ambiance and comfort with seat and table. Plus, there is opportunity cost due to many options. Therefore, they need to select which brand will fill their share of stomachs.

Heavy buyers have diversely perceived the value of Tao Bin but most value can categorize as a functional or utilitarian base not emotional much. The finding values that they mentioned are reliability, ease of payment, grab-and-go, and being environmentally friendly. These values show up on various occasions in their experience. However, reliability and ease of payment are the most mutual value among heavy buyers. The reliability is driven by always availability of the machine and the consistency test from the automatic brewing. Tao Bin operates the same as the vending machine, so it is ready for service 24 hours every day. This results in heavy customer trust that they can find a good drink whenever they want. Plus, the machine can serve the trust well leading to reliability. Although the light buyers tend to doubt with cleanliness that the machine fully operates inside the machine with a robot, the heavy buyers look at it from a totally different angle. They think that this creates consistency of the taste from the more precisely scaling ingredients and less like likely contaminate from brewing. This creates reliability in taste and hygiene while purchasing with Tao Bin machine. Ease of payment seems to be a general issue. However, the heavy customers value it. This also links to the variety of payments that they can choose as their most preferable method. Plus, every method is also efficient. For example, if customers pay with cash, it will give change every baht. Another example is that it also supports the Shopee Pay which is the new wallet app.

4.4 Brand Loyalty

Brand loyalty is the result of brand equity and value combined together which shows the relationship between the brand and customer resulting in action or attitude. There is an obvious difference in brand loyalty aspect among heavy buyers and light buyers. There is no significant loyalty among light buyers in whatever behavioral and attitudinal loyalty. In terms of behavioral loyalty, they tend to choose other beverage shops even if there is another option that is worth more even, they need to pay more for it. In terms of attitudinal loyalty, they do not have a negative perspective of Tao Bin. They also support other people to try by themselves, but they do not claim or guarantee it.

In contrast, the heavy buyers show loyalty towards the Tao Bin brand. If we consider only the consumption from out-of-home brewers and excluded the homebrew such as capsule coffee and filter coffee, the heavy buyers have purchased Tao Bin for around 50 percent of their consumption. This large number of percentages reflects their high behavioral loyalty. However, the attitudinal loyalty of the heavy buyers is not high as behavioral. Actually, the heavy buyers have the same attitude as the light buyers. They do not have a negative perspective of Tao Bin and support others to try. they will not persuade or encourage others who did not ask for it. But they also have an aspect that better than the light buyer in that they tend to give the information and good perception to the people who ask them. For example, one of the heavy buyers said, “Should try, it tasty over the expectation.”.

Lastly, Tao Bin has a membership as a loyalty program which tends to drive the behavioral loyalty of the customers. However, there are no interviewees who mentioned it by themselves. Even though the researcher asked the customer that prefer the promotion from the e-commerce application. He said that the membership program of Tao Bin is not attractive due to the long collection period. It takes around 15 cups to get 1 free drink.

CHAPTER V

CONCLUSION AND RECOMMENDATION

5.1 Conclusions

According to the literature review, we understand that the perception of customers on the brand affects their behavior and attitude. Tao Bin, which is popular nowadays, can penetrate the market well resulting in diversity among a large number of customers. Therefore, customers can be grouped along with their characteristics which this research mainly focuses on the level of consumption. Each customer group of Tao Bin has shown a different perception of the Tao Bin brand. However, due to the strong positioning of Tao Bin and its specific qualification, there are some perceptions stronger than the remaining and it drives mutual perception across customer groups.

One of the mutual perceptions of customers is that customers threaten Tao Bin brand as a beverage shop or café which has more value than the other vending machine. This is due to fresh brewing beverages. This perception has a benefit and a drawback. The benefit is that the Tao Bin can expand to the larger market and has the qualification to compete with beverage shops. In contrast, the drawback is that this value will not be considered much in customers' sight. However, the strength of being vending machine still affects the customer perception. This results in association with the Convenience, Accessibility, and Affordable and the value of Time Saving and Worth of Money that all interviewees perceived. This perception of being vending machine drives the Tao Bin to have a low involvement which customers tend to less consider the perceived risk of trial leading to eagerness to trials after hearing about the viral.

Even though both customer groups have the same perception of vending machine benefits, heavy customers value it more than light customers. The heavy buyers perceive it as the value of reliability that the machine is always ready to serve their needs

on thirsty or refreshing with the standard and hygiene beverage. Plus, it can serve more for some heavy customers in the occasion of grab and go which can drink during the traveling time. In addition, the heavy buyers also result in higher purchase frequency which leads them to consider payment methods. In comparison, Tao Bin also has more payments method than other stores. Therefore, they perceive that Tao Bin are easier to shop with.

In contrast, the light buyers are just following the fascinating trend of innovation. Although they perceive the benefit of vending machines same as the heavy customer, they do not consider it as a significant value. They focus on the excitement of the machine, and it will not last long as they also doubt cleanliness just after receiving the beverage.

In terms of menus, the customer perception of both groups has positive feedback with the non-coffee menu. Although customers who are mixed drinkers actually drink more coffee than a non-coffee beverage. They tend to order a non-coffee menu rather than coffee when purchasing Tao Bin. This reflects the perception of Tao Bin coffee is worth less than other menus. Plus, the coffee of Tao Bin can only provide a functional benefit for the customer for purpose of boosting up in the morning.

5.2 Limitations in the scope of the study

This paper focuses only on the perception of the Tao Bin brand among the light and heavy buyers through the theory of brand equity and perceived value. The result of the research would mainly drive the action in terms of brand communication to drive the light buyers to be heavier buyers. However, there are other aspects of marketing to be covered that are more important for the Tao Bin in this early stage of business such as the customer behavior aspect on the Conformity and Opposition and Conspicuous consumption that tend to have further improvement area to understand the success of Tao Bin more. Therefore, the result of this research would be a fascinating case study for entrepreneurs, marketers, and students to explore the loose pack consumer good and understand the perception of customers towards brands more when they influence by the massive trend

5.3 Recommendation

In order to make Tao Bin sustainable growth and have more heavy buyers, there are several recommendations that Tao Bin needs to apply. Firstly, Tao Bin should start communicating and clarifying more about the machine's cleanliness and hygiene. This will help to make trust among light buyers, who are already satisfied with the experience and product quality of Tao Bin. The brand will be easier to convert light into heavy buyers in a later step. Secondly, due to Tao Bin's strategic plan that targets to expand the vending machine to 5,000 spots this year aligned with their manufacturing capacity, the expansion area should be focused on the residence and workplace where people can easily find the place and enjoy their beverages in their own comfort places. This will attract light buyers who do not want to push much effort when want to find beverages in public spaces. Moreover, these areas will let Tao Bin machine has fewer other reputation competitors that lead customers to consider the opportunity cost such as in the department store where there are plenty of choices. Plus, it will enhance convenience and accessibility due to flexibility and ability to fit in various places that less distance for customers. However, there is a considerable point on the cost. The fixed cost of each Tao Bin machine is under 8,000 baht per month separated roughly into a rental fee of 2,000 baht, a utility cost of 1,000 baht, and a necessary operation cost of 5,000 baht (Brand inside, 2022). Therefore, the brand needs to carefully consider the feasibility analysis. The traffic types between the department store and residence and workplace are different. The department store traffic depends on the reputation and the day of the week, but the group of people will be shuffled not always the repetitive traffic. However, the residence and workplace tend to have a fixed number of traffic and the same group of people that can vary a bit but no significant change. This results in requiring more ability to penetrate among the location and frequent consumption and the location should be estimated to sell around 1,500 baht per day, according to the Tao Bin criteria of the location being able to place the machine (Thansettakij, 2022). However, Tao Bin tends to have higher bargaining power, according to the long waiting list of landlords around 2,000 who want the brand to operate in their place as a trendy amenity (Brand inside, 2022). The rental cost fee can be negotiated and be cheaper. Thirdly, Tao

Bin should keep launching new menus to rotate with the existing non-performing menus. Tao Bin's variety menu is its strength. Therefore, they need to keep launching the new menu, especially non-coffee menus, to still make the light customer attracted and repeated consumption. This will slow down the dried-out viral trend of Tao Bin. However, the new menus should base on the available capacity of the machine, because if it is out of the machine, the machine developing or adjusting cost might outweigh the receiving benefit of it. I strongly believe that the existing machine without improvement or adjustment still has plenty of capability to launch the menus due to the newly launched menu congee and availability of the machine that can provide hot, cold, and blended beverages. In the later period, the success menu can shift to a seasonality menu to make the dynamic for brand. In addition, in the beverage shop market, the delicious menu that is top of mind will associate with the brand automatically. It will create a brand association. Therefore, seeking successful menus such as a blended Oreo will provide a long-term advantage and repeat purchases for the brand.

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