

# Internet has changed peoples lifestyle marketing essay



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## Introduction

**“ The telephone took four decades to reach 50 million people – The Internet has managed this within four years as digital technologies provide such efficient channels for business and consumer interaction transactions”**

The Internet has changed people lifestyle; it became apart of people daily life. They use internet to replace their common activities such as E-mail instead of writing letter, MSN chat and Skype instead of using telephone, YouTube instead of watching TV. Therefore, many organisations tried to use Internet as a new way to reach their customers which called ‘ E-marketing’. E-marketing is a new marketing strategy using to reach many consumers at low cost. It can be used to interact with customer 24hrs a day, 7days a week without any additional cost. Consumer can get information about products any times, any places. According to Seock and Norton (2007), consumer channel choices for shopping had been widened because of diffusion of the Internet: causing everything that happens to sales in electronic form or what it realized as “ online shopping”. 84 per cent of global consumers have experience purchasing over the internet (Nielsen, 2008).

Number of Thais internet usage rate is increasing everyday. There are many internet service providers offer high speed internet. Most of Thais are familiar with using internet in playing game, social network like Facebook, twitter but number of online purchasing is very low. Comparing between European and Western to Thai, the number of online purchasing is very different. Online purchasing is still very limited for Thais. They are not familiar with buying things online. Thai consumers love to see and touch and

feel the product before making any purchasing decision. With brand name product, consumers seem to have a high involvement because it's impossible for them to buy without seeing the real product. They also have very limited knowledge to buy thing online as they are afraid to share important information online such as their bank account, there personal data or their credit card number. At the same time, the number of Thai website that offers online service is very rare. Therefore there is opportunity to introduce this service for Thais. This research attempts at learning why Thais consumer do not want to buying brand name online.

The aim of this research is to learn what Thai consumer perception toward buying brand name online is and what factors effect their decision making. What Thai consumers characteristic make a brand name online shopping.

The area of this research will focus mainly on Thai consumers in Thailand.

The research objective will be divided into five main areas:

To investigate Thai consumer buying making decision toward online shopping.

To investigate Thai consumers' experience on shopping online.

To investigate Thai consumers' perception toward buying brand name online.

To identify the most important factors in the buying decision making on online shopping in Thailand

To investigate Thai consumer demographic characteristic who make online shopping.

In research methodology, we will try to achieve the objective by using quantitative research through online questionnaire. The result of research will help researcher in order to achieve the objective that has been set and help us to determine Thai consumer behavior and perception toward buying online.

## **Literature Review**

In this part, the researcher would like to divide into two parts: The first part will explain a character of consumer behavior towards high involvement such as buying brand name product, what factors effect them to buy online, and consumers' perception toward brand.

The second part will clarify the characteristic of online marketing in Thailand.

## **Involvement**

“ Some products, such as high-performance car seem inherently involving because of their complexity, risk and cost, while others, such as toothpaste seem uninvolved by comparison because of their familiarity, low risk and low cost”

Laakasonen (1994)

Therefore, buying brand name online is like a high-performance car because is too complex (untouchable product) and risky (fake product), this will make consumer spend more time in order to search information before making a

decision. Moreover, a consumer's level of involvement depends on their individual interests, value of products, needs, which attract or motivate them. Involvement is commonly defined as the consumer's personal interest in buying or using an item from a given product field, an approach which nicely summarizes the personal, product and situational components of the relationship (Evan et al., 2009).

## **Factor**

Customer satisfaction seems to be a key major to influence consumer-buying decision. Customer satisfaction can be the most important reason for customers deciding to make a repeat purchase, and telling their friends about their satisfaction (Palmer 2000). If online shop can make customers believed that their shop has good quality product, secure, and friendly, this would help their shop gain more new customers. Not only online shops give customer a good quality product, but they should also give them equity. Oliver (1997) defined equity as " a fairness, rightness or deservingness judgment that consumers make in reference to what others receive; it is also considered as an important determinant of satisfaction". With these product quality and equity, this would make customers' satisfy and motivate them to make a repurchase.

## **Brand**

Brand image seems to be an important for online market area because brand helps consumer make buying decision and it creates a credibility of online shop. Rio del B. et al. (2001) defined brand as " the set of associations and behaviors on the part of a brand's customers, channel members... and that gives that brand a strong, sustainable, and differential advantage over  
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competitors.” In Thailand, the customers’ perception toward brand product equate to high price, which in turn dampens their willingness to make decision toward buying brand name online.

## **Online market**

It seems to be that now the market channel has been classified into two main channels that are online channels and offline channels or we called “ traditional channels”. Offline channels, consumers reduce of risk on shopping because they can have a physical interaction with products, when compared to online channels. According to Brown et al. (2003), Whilst shopping online allows the exchanging of value and product... by using computer as a medium of transaction transference.

In Thailand, it seems to be that now Thai consumers still like to buy products from offline channel or in shopping mall due to online channel still do not have a good credibility. Thai online retailer should have to create credibility and trust to consumer in order to make them believe that Thai online channel is secure (Mict 2010). It seems to be that in Thailand, many of online retailers seem not to register for doing their business compare to Western country. Moreover, Thailand online payment still unsecure, this make Thai online consumers’ do not want to take risk on payment that is why they prefer to touch and see product before making buying decision. The key concerns that consumers have over the online purchasing trends are security of the privacy or financial which relatively unsecure once online payment has been made, such as credit card fraud (Harridge 2006). Moreover, Roman and Cuestas (2008) stated that ‘ security on online transaction is need to be

strict as to gain trust in the mind of shoppers regarding their online financial transaction made with the site will be safe form unauthorized access.

## **Research Question**

This research has focused on four main research questions as follows:

Who are online stores' target customers in Thailand?

What is the perception of Thai customers toward online shopping?

What factors affect Thai consumers' purchasing decisions?

Which is the most important factor that influences Thai consumers purchasing brand name online?

## **Research Method**

Research method helps online retailer know which strategies they should use to influence consumer buying decision. Research method can be classified into two types that are Quantitative research and Qualitative research. Both of them have different pros and cons, which researcher will discuss more in detail later on.

Data can be collected in variety of ways, in different settings-field or lab-and from different sources. Choosing methodology is up to what paradigms the researcher adopts. There are two main paradigms or philosophies, which are positivist and phenomological (Collis and Hussey, 2003). The alternative terms for positivist are quantitative, objectivist, experimentalist, and traditionalist. The other terms for phenomenological are qualitative,

subjectivist, humanistic, and interpretivist. There are several data collection methods, each with their own advantage and disadvantages.

The research method that researcher will use is Quantitative research, focusing on the survey method. Now, researcher should think about what types of questionnaire should be used, such as mail questionnaire, electronic questionnaire, and personal questionnaire. In this report, due to time limitation, it seems to be that the used of electronic questionnaire or online questionnaire will be more suitable and take less time, cost, and can expand very quickly in order to collect data than other quantitative research.

After researcher has chosen a specific method, researcher will make a questionnaire by using pilot test in to make sure that all questions can be understood by respondent. If questionnaires have any errors or respondents hard to understand, researcher can improve before using to the target audiences.

Researcher has specific target to make a research that is a Thai consumer age between 18 and 35 years old and compare between teenager (18-27) and middle age (28-35). A sample size that researcher expect to have is minimum 100 respondents, the questionnaire will be distributed through email and social networks to 200 respondent who have use internet.

In order to make data collection, we will use both primary and secondary data. The secondary data will used on book, journal, article, and commercial online database provide from the website (Mintel, or Google Scholar).

Website offering information for a fee, almost every industry association, government agency, business publication, and news medium offers free <https://assignbuster.com/internet-has-changed-peoples-lifestyle-marketing-essay/>



information to those tenacious enough to find their website (Armstrong and Kotler 2009). The use of secondary provides a good start for research and define problem and objective. This helps researcher in order to find an objective for consumer buying decision and perception toward online brand name in Thailand. Secondary data helps researcher to better understand and indicated what has been missing form the current online business in Thailand. Moreover, it helps researcher to develop hypotheses and objective of the study.

For primary data, a survey research has been chosen as a method of conducting a research, because survey was available to large number of population. As a time limitation, using questionnaire can help researcher save time and cost.

After we already collect data from questionnaire, then we can identify that questionnaire is validity, reliability, and genalisability or not.

## **Roadblock**

There might have some limitations when make a research, due to limit of time and budget cost. Moreover, the respondents are required to have a computer access to be able to take part in this research.

## **Discussion**

To sum up, researcher believed that this research will help us to know more about Thai consumer's behavior and perception toward online brand name store. The use of secondary data helps researcher can set a research question in order to collect a primary data. However, researcher has to

select which research method would like to use in order to collect primary data. As a result, a good method in this report is Quantitative research by using questionnaire to collect primary data. By using questionnaire, it will help researcher to collect data and can analyses about Thai consumers. Due to time limitation of research, the used of questionnaire will helps us to save cost and time. The questionnaire has been sent to 200 via e-mail and social network in order to collect minimum 100 respondents. Researcher believed that the primary data that we collect can help to do finding and analyses on Thai consumers' buying behavior and perception toward online brand name. Moreover, to learn more what factor can influence Thai consumer in order to purchase brand name online.