



**A STUDY OF THE INFLUENTIAL FACTORS OF  
MULTI-BRAND STORE TOWARD THAI ONLINE  
FASHION BRANDS**

**BY**

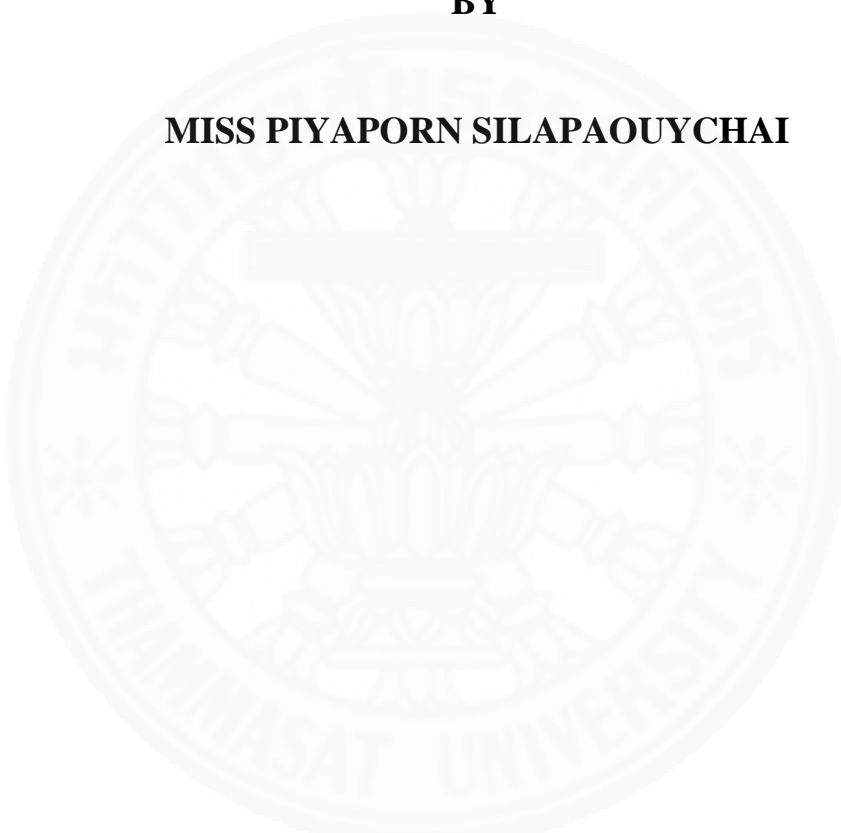
**MISS PIYAPORN SILAPAOUYCHAI**

**AN INDEPENDENT STUDY SUBMITTED IN PARTIAL  
FULFILLMENT OF  
THE REQUIREMENTS FOR THE DEGREE OF  
MASTER OF SCIENCE PROGRAM IN MARKETING  
(INTERNATIONAL PROGRAM)  
FACULTY OF COMMERCE AND ACCOUNTANCY  
THAMMASAT UNIVERSITY  
ACADEMIC YEAR 2016  
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INDEPENDENT STUDY

BY

MISS PIYAPORN SILAPAOUYCHAI


ENTITLED

A STUDY OF THE INFLUENTIAL FACTORS OF MULTI-BRAND STORE  
TOWARD THAI ONLINE FASHION BRANDS

was approved as partial fulfillment of the requirements for  
the degree of Master of Science Program in Marketing (International Program)

on..... 8 MAY 2017 .....

Chairman



(Professor Malcolm C. Smith, Ph.D.)

Member and Advisor



(Professor Kenneth E. Miller, Ph.D.)

Dean



(Associate Professor Pipop Udorn, Ph.D.)

Independent Study Title	A STUDY OF THE INFLUENTIAL FACTORS OF MULTI-BRAND STORE TOWARD THAI ONLINE FASHION BRANDS
Author	Miss Piyaporn Silapaouychai
Degree	Master of Science Program in Marketing (International Program)
Major Field/Faculty/University	Faculty of Commerce and Accountancy Thammasat University
Independent Study Advisor	Professor Kenneth E. Miller, Ph.D.
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## ABSTRACT

“The study of the influential factors of multi-brand store toward Thai online fashion brands” has been chosen as an independent study which represents a contemporary topic in technological areas of applied marketing knowledge. This proposal focuses on market opportunities of Thai online fashion brands related to multi-brand store.

In 2015, internet retailing in Thai fashion category has shown growth of 13.7 percent compare to the prior year. However, there still are some internet access problems and also some problems in the shipping process and untouched products of product purchased online. These problems provide an opportunity for Thai online fashion brand owners who do not have their own store and also use of a multi-brand store as one of their channel.

For better point of understanding which would be the key influence factors of online purchasing from online shoppers’ views. Therefore, the exploratory research method will aim to gather information, and discover the ideas and insights. The exploratory research will take place in the form of open-ended questions to make the respondents have a chance to elaborate more attitudes from the given questions. Data and insights were obtained through primary and secondary data. Qualitative research was employed through face to face interviews, phone interview, and Line chatting

application interview of 25 online shoppers. The respondents were non-probability sampling recruiting through personal connection.

The main propose of this study is to identify and determine the vital factors that can have a profound impact on Thai online fashion brands. The findings of this report will present the advantages and disadvantages of joining multi-brand stores. This information will be extremely useful for small budget Thai online fashion brand owners who are reluctant to invest in the offline selling channel.

The significant findings from 25 respondents in online shopping behavioral sector found most important has been classified into three segments; pure online shopping, economical orientation, and brand consciousness. Each segment presented different characteristics in demographics and internet usages. Furthermore, those findings had been summarized into three key attributes that are influence and enhance purchasing online; product presentation attribute, point of sales attribute, and after service attribute. These three segments evaluated e-retailers' attributes differently. Brand consciousness shopper presented the highest levels of overall satisfaction and intention to purchase fashion goods online, while Economical orientation segment showed the opposite.

The paper offers valuable recommendations to apparel e-retailers based on characteristics of each segment

**Keywords:** Multi-brand store, E-retailer, Thai online fashion brand, Online shoppers, Offline store

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Miss Piyaporn Silapaouychai

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# CHAPTER 1

## INTRODUCTION

### 1.1 Introduction to the proposal

Thailand has moved forward into the digital era and has applied an innovation and new technology to develop the economy and society. Electronic transactions have played an important role in the recent times along with the growth of economy. In this regard, the Electronic Transaction Development Agency (Public Organization), or ETDA was established in 2015 under the Ministry of Information and Communication Technology (MICT). ETDA is set up for providing an IT infrastructure, developing IT standards, and helping businesses that related to electronic transactions. Electronic transactions in Thailand have become more reliable and trustworthy which also has led to tremendous opportunities of the digital industry in recent years. Shopping online is popular to Thai people in this digital era. According to ETDA survey, the most popular online activity is online purchasing with 42.6 percent. Therefore, this study focuses on market opportunities of Thai online fashion brands. This project investigates technological areas of marketing knowledge and represents a contemporary topic in applied marketing.

### 1.2 Background to the proposal

The multi-brand store is an individual store which gathers many small online fashion brands into one place by offering them selling spaces. In fashion business, the multi-brand store has shown the recent growth. This represents a big competitive challenge for the single brand store. In Thailand, the multi-brand store has recently developed for online fashion brand's owners who have not yet opened their own physical store. The multi-brand store normally locates in the center of Bangkok such as Siam square, Central department store (Ladproa branch), Mega Bangna mall.

### **1.2.1 Industry background**

In 2015, internet retailing in fashion category was valued at THB 2,187.8 million with value growth of 13.7 percent, representing CAGR of 14 percent constant. Even though, the sales performances of pure internet retailing platforms in Thailand were growing in 2015 but when compared to standalone retailers, there is still limited internet access for Thai customers. Offline store channels are still required. In addition, there are three main problems of purchasing online goods, which are late arrival of delivery, incorrect sending of products, and damaged goods from delivery. These problems can cause reliable issues for online brands. Therefore, this proposal will study the influential factors of the multi-brand store toward the Thai online fashion brand from the viewpoint of online shoppers. The study will discover the results on whether the multi-brand store is a good option for the online fashion brand to participate for serving end consumers' needs and the solution of online purchasing.

### **1.2.2 Purchaser background**

Internet users spend about 6.4 hours per day on both mobile phone and computer mainly for chatting, visiting websites, and reading articles. In 2016, the use of the internet through the smart phone has grown more than 9 percent compared to the previous year. Online shopping is one of many online activities which have grown every year.

### **1.2.3 Secondary data**

From the results of similar studies, the consumers' largest segment of online fashion in South Korea is "fashion follower" who is still afraid of purchasing online. Although the internet system in South Korea is more developed than in Thailand, the Korean fashion followers are more likely to visit the websites for only getting information about the products and then they

still prefer the off-line stores to try on and experience the real products. Thus, this research proposal tries to determine the important factors to investigate the question whether a multi-brand store is necessary for Thai online fashion brand.

#### **1.2.4 Marketing models**

This proposal will study and evaluate online shoppers' behaviors and perceptions towards both online and/or offline shopping by using consumer decision-making process model. The consumer decision-making process model consists of five stages, which are problem recognition, information search, judgment process, purchase decision making, and post-decision process. In order to understand online shoppers' behaviors, needs and want, a channel-design decision model will be applied, to make the right decisions about selling channels which will provide the suitable product and service to the customers.

### **1.3 Research objectives**

This study aims to identify the crucial factors that can have a profound impact on Thai online fashion brands. The objectives of this proposed study are as following.

- 1.3.1) To evaluate online shoppers' behaviors, perceptions, and experiences when buying online fashion brands either online channel or offline channel.
  - a) When and why do shoppers buy products online (referring to the purchasing steps from the process of making decisions model).
  - b) Frequency of purchasing the products online.
  - c) Attitudes towards online fashion brand either pure internet retailing or brick and click retailing.

- 1.3.2) To analyze the important factors of purchasing decisions for online fashion items by online shoppers.
  - a) Key factors that influence and enhance purchasing online.
- 1.3.3) To evaluate the advantages and disadvantages of joining multi-brand stores for Thai online fashion brands in terms of customer views.
  - a) Awareness of multi-brand store
  - b) Attitudes toward multi-brand store



## **CHAPTER 2**

### **REVIEW OF LITERATURE**

#### **2.1 Definition of “Multi-brand store” in term of Thai fashion business**

The multi-brand store is a standalone store which gathers many small brands into one place by offering them selling spaces. In the fashion business, the multi-brand store has an accelerate growth trend that is quite a competitive challenge for a single brand store to compete with (yStats.com, 2015).

For online fashion brands in Thailand, the landscape of the fashion market has been changed to the integration of online and offline platforms. The multi-brand store has been developed for online fashion brands which do not possess their own physical store to have their own selling spaces. (Thiengthamcharoen & Quadri, 2016).

#### **2.2 Internet retail business situation**

Euromonitor International (2015) claimed that internet retailing in fashion category valued at THB 2,187.8 million in 2015 with of 13.7percent growth, representing CAGR of 14% constant. However, sales performance of pure internet retailing platforms in Thailand has grown rapidly in 2015 but there are still a massive number of Thai consumers who cannot access through the internet, prefer the offline store channels. (Euromonitor International, 2015).

#### **2.3 Becoming a digital era in Thailand**

E-commerce is one of the vital parts in developing economy which allows both sellers and buyers to have more opportunities for an online selling channel. In this regard, “the Electronic Transactions Development Agency (Public Organization), or ETDA” was established in 2015 to support the organizations that is related to electronic transactions and also develop internet systems in Thailand (ETDA, 2015). ETDA (2015) claimed that there are three main problems of an online purchasing product; (1) 58.7 percent are delayed in delivery, (2) 29.9 percent are incorrect



received products, and (3) 24 percent suffered from damaged goods from delivery service. These problems cause unreliable issues for online brands.

#### **2.4 Channel-design decision**

A study from clothing retailers in France and Germany shows that there are three main types of consumers in terms of needs and wants towards clothing brands;

“(1) Service/Quality customers who care the most about the variety and performance of products and service, (2) Price/Value customers who are the most concerned about spending wisely, and (3) Affinity customers who primarily seek the stores that suit themselves or preferred groups that they aspired to join” (Kotler & Keller, 2012, P. 444-445).

Therefore, analyzing customer needs and wants is important for the brands in order to make the decisions on selling channels that provide the right product and service to consumers.

## 2.5 The process of making decisions

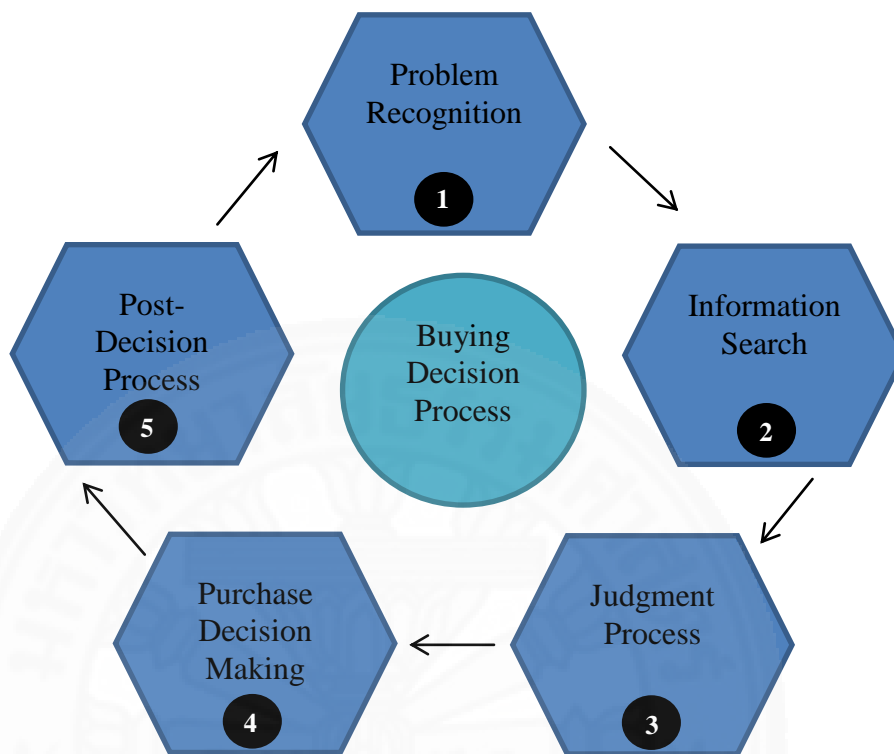


Figure 1 The Process of Making Decisions

The framework of this study uses the steps of consumer decision-making process. There are 5 stages which are;

### 2.5.1 Problem recognition

This stage begins

“The consumer identifies a consumption problem that needs to be solved. Problem recognition is the perceived difference between an ideal and actual state. The ideal stage is the way that consumers expect a situation to be. The actual state is the real situation as consumers are experiencing it now” (Hoyer, Pieters, & MacInnis, 2013, P. 189).

Recognition of need represents a disparity between a consumer’s current situation and some desired goal. In addition, need recognition shapes the

benefits of consumers who seek for a brand and brand attitudes (Hoyer, Pieters, & MacInnis, 2013, P. 189).

### **2.5.2 Information search**

Consumers need to solve the problem by starting with internal searching, which is “the process of recalling an information from the memory” (Hoyer, Pieters, & MacInnis, 2013, P. 188) and followed by external searching, which is “the process of collecting an information from outside sources” (Hoyer, Pieters, & MacInnis, 2013, P. 194). Consumers’ exposure to stimuli is often selective. People tend to choose friends who support their views, reinforce their egos, and parallel their lifestyles (Hoyer, Pieters, & MacInnis, 2013, P. 195).

### **2.5.3 Judgment process**

As a result of information processing, consumers use their own judgment to evaluate or estimate past and current information to associate brands they aware of with their desired benefits. Consumers prefer the brand that gives the most satisfaction based on the benefits they seek for (Assael, 2004, P. 41).

### **2.5.4 Purchase decision making**

The outcome of brand evaluation is an intention to buy (or not to buy). The final sequence in complex decision making involves purchasing the intended brand, evaluating the brand during consumption, and storing this information for future use. When the instrumental actions are required for a purchase, store selection is the most important. In fact, store selection may require a decision-making process of its own (Assael, 2004, P. 41).

### **2.5.5 Post-decision process**

Once the product is purchased, the consumer evaluates its performance in the process of consumption. Satisfaction occurs when consumer expectations are met or exceeded and the purchase decision is reinforced. Satisfaction reinforces positive attitudes towards the brand, leading to a greater likelihood that the consumer will repurchase the same brand which is customer retention needed. Dissatisfaction results when consumer expectations are not met and lead to negative brand attitudes (Assael, 2004, P. 45).

## **2.6 Behaviors of purchasing fashion goods online in South Korea**

According to Sung and Jeon (2009), the largest consumer segment of fashion online shoppers in South Korea is the “fashion follower” who is reluctant to purchase online so this segment has the lowest conversion rate of purchasing online. In addition, the fashion followers are likely to visit a website for only getting information about the products and then they still favor off-line stores (Sung & Jeon, 2009).

## CHAPTER 3

### RESEARCH METHODOLOGY

In order to achieve all of the objectives previously stated, marketing research was the most effective tool to collect secondary data and qualitative interviews were the most effective way to collect primary data. It employed qualitative methodology, which is observation and in-depth interview as following steps:

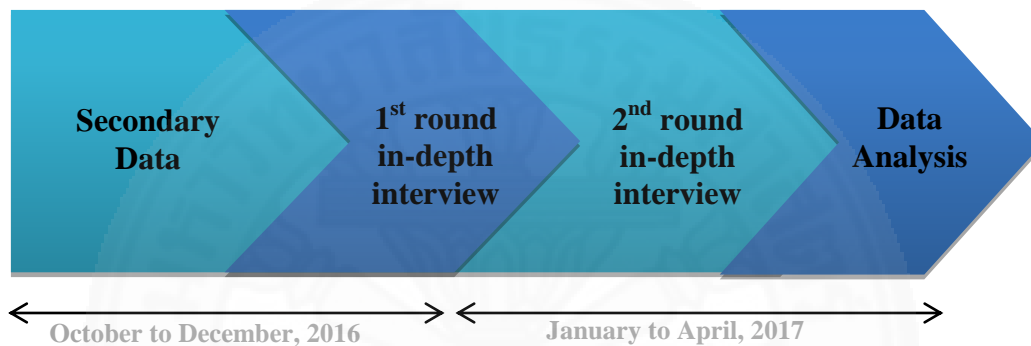


Figure 2 Research Methodology

This research was conducted into two main parts. First, the researcher conducted a comprehensive searching and analysis of many studies, credible articles, and websites about the e-commerce market size, growth, and trends. This gave a better understanding of what are the important factors for Thai online fashion brands and what it takes to have an offline store. Second, validated these predictions with numerous qualitative interviews with online shoppers who have experience in online shopping using a multi-brand store in order to test whether the multi-brand store is necessary for Thai online fashion brands or not. Therefore, the exploratory research method was aimed to gather more insightful information with regards to the key vital factors in joining a multi-brand store. The target respondents are online shoppers who have the shopping experience either on online platform or both online and offline platforms for Thai fashion brands.

### **3.1 Secondary data**

Secondary data was obtained from highly credible sources and scholarly articles before the collection of primary data can begin. These sources include strategic market research report from the Euromonitor website, fashion business trends in Thailand from credible websites, published independent studies, and academic journals about purchasing of online brands. The secondary data obtained helped identify and gave a better understanding of important factors from online shoppers' views. This information will be beneficial for Thai online fashion brand in the decision to have an offline store or not.

### **3.2 In-depth interview**

Apart from understanding the market overview, the in-depth interviews were conducted and represented the most important part of this independent study. The in-depth interview (one-on-one discussions) contained many open-ended questions by applying with the Probing and Prompting techniques and meaningful information were obtained to help this study achieve the objective [Objective 1, 2, 3]. The Probing technique helped encourage the respondents to elaborate and explain more on their points of views, in order to understand to the respondent's true thinking. The Prompting technique covered some specific information that the respondents fail to mention with regards to the questions. In these interviews, the researcher expected to be able to understand the online shoppers' behaviors and perception towards online fashion brand. Also the results will help researcher to be able to identify important factors that lead to purchasing decisions of online fashion items. Furthermore, the expected results from the research methods will show the customer views and identify the advantages and disadvantages of Thai online fashion brands to join the multi-brand stores.

The question guide framework was developed as below through the first round in-depth interview during October to December 2016. There were 10 respondents were interviewed. In this period, these interviews allowed researcher to ensure the question guide covering all key variables.

After the first round of the interview and question guide was designed, the second round interviews were carried out between January to March 2017. Total 15 in-depth interviews were conducted to gain insights, attitudes towards Thai online fashion brand and get more understanding of what attributes they need for purchase in decision making process.

### **3.3 Procedures for collecting data**

#### **3.3.1 Qualification of respondent**

The target population for the in-depth interview is female online shoppers, who have experience in purchasing online and/or purchasing online brand from an offline store. The respondents live in Bangkok area, where the multi-brand store is located. In addition, the interviewees must have bought fashion items of online brand via online and/or the multi-brand store within the last month.

#### **3.3.2 Data collection**

##### **3.3.2.1 Qualitative research: In-depth interview**

Due to the limitation of time and financial constraint, respondents were selected through non-probability sampling and acquired through personal connection of online fashion brands. In-depth interviews were conducted with 25 respondents. The lists of customers had been provided by the Thai online fashion brand owners, who have a personal connection with the researcher. These brands are DenimOrnate brand, Style syrup brand, and D'Only brand. The face-to-face interview, telephone interview, and Line chatting application interview were employed, depending on the convenience of the respondents with approximately 40 to 60 minutes. The interviews were standardized as much as possible to ensure that all key topics are

covered. Each interview was recorded and later transcribed. Summary of respondents profile, appointment time, and interview method are presented in the table below:

Table 1 Summary of Respondents Profile, Appointment date, and Interview Method

No.	Name	Appointment Date	Interview Method
1	Miss Piyawan Wangwongrakitcharoen	22 Oct, 2016	Face-to-face
2	Miss Sudarat Kodchaseang	22 Oct, 2016	Telephone interview
3	Miss Pariya Rattanapaporn	23 Oct, 2016	Telephone interview
4	Miss Pimonpan Saiwed	17 Dec, 2016	Telephone interview
5	Miss Patcharawalai Vongraksat	17 Dec, 2016	Telephone interview
6	Miss Sirirat Luengthanaporn	24 Dec, 2016	Line chatting application interview
7	Miss Nartlada Jirakittiwut	24 Dec, 2016	Telephone interview
8	Miss Chanintorn Kemkat	25 Dec, 2016	Telephone interview
9	Miss Areerat Huaknin	25 Dec, 2016	Line chatting application interview
10	Miss Ubonwan Rasaruck	25 Dec, 2016	Telephone interview
11	Miss Prechaya Wathanakul	21 Jan, 2017	Face-to-face
12	Miss Passawee Vongchareon	21 Jan, 2017	Face-to-face
13	Miss Supanan Rattanapongumpai	22 Jan, 2017	Face-to-face



No.	Name	Appointment Date	Interview Method
14	Miss Punyaporn Posarakkhaka	22 Jan, 2017	Face-to-face
15	Miss Rungnapa Pattasart	22 Jan, 2017	Face-to-face
16	Miss Supansa Krasein	28 Jan, 2017	Telephone interview
17	Miss Weena Harnthumrongwit	28 Jan, 2017	Telephone interview
18	Miss Sunit Sriklang	29 Jan, 2017	Telephone interview
19	Miss Pantita Uttharasitthikul	29 Jan, 2017	Telephone interview
20	Miss Thunwa Keingsakul	29 Jan, 2017	Telephone interview
21	Miss Pojjana Juntanaorrapin	18 Feb, 2017	Telephone interview
22	Miss Arisa Poolsawat	18 Feb, 2017	Telephone interview
23	Miss Ornuma Pathumborrisut	4 Mar, 2017	Telephone interview
24	Miss Savitree Suengkhum	4 Mar, 2017	Telephone interview
25	Miss Nunthanat Norraphaksunthorn	4 Mar, 2017	Telephone interview

### 3.4 Procedures for analyzing the collected data

This study fully obtained the data through the in-depth interview. The purpose of data classification was to find the patterns; which were used to interpret and analyze the following study objectives. The theoretical framework was employed to define research key variables, which reflect the understanding of the influential

factors of multi-brand store towards Thai online fashion brands from online shoppers. As a result, to define the key findings and the data obtained were represented three main structures; summary of general behaviors of online shoppers related to online and/or offline channel, summary of the key purchasing decision factors, and summary of the advantages and disadvantages of multi-brand store.

### **3.5 The theoretical framework**

#### **3.5.1 Key research variables**

According to the research objectives, the criteria determining the important variables in this study are as follows:

- 1) Online shoppers' characteristics such as age, gender, education, and occupation.
- 2) Key decision making attributes of online shoppers such as selling channel, location, shopping behavior, life style and income.
- 3) Psychographic variables such as interest, and opinion.

### **3.6 Limitation of study**

#### **3.6.1 Time**

Due to the limit of time and resources, researcher had a total time of 6 months to not only design the study but also collect primary and secondary data. This time frame represents an incredibly short time to schedule and conduct all the interviews needed in order to do a qualitative analysis of the data.

#### **3.6.2 Application**

Since this study gather data from a very specific set of people, the results cannot justly represent the population of Thailand. Therefore,

further applications of this study should only be for people who belong in the target group or are in a similar category

### **3.6.3 Interview method**

Due to convenience of the respondents, the researcher had to conduct interviews in three different method; face-to-face interview, phone interview, and Line chatting application interview. These three methods had some limitations which were described as follow:

#### **3.6.3.1 Face-to-face**

The limitations of face-to-face interview are time and place. The interviewer and interviewees need to match the time and place. The appointment needs to make it advance for both sides.

#### **3.6.3.2 Phone interview**

The limitations of phone interview are body language cannot be used for this interview and the interviewer could not see the interaction of the interviewees.

#### **3.6.3.3 Line chatting application interview**

The limitations of this method are lack of spontaneous response and the interviewees might use emotion to express their feelings instead of describing from phrase. Furthermore, online interview from Line chatting application was not consistency because the respondents took longer time than other interview methods to complete all the questions provided. For example, the respondents would ignore the question first until he or she will be available to answer the questions.

## **CHAPTER 4**

### **RESULTS AND DISCUSSION**

#### **4.1 Secondary research key finding**

The secondary data obtained helped identify and gave a better understanding of important factors from online shoppers' views. This information will be beneficial for Thai online fashion brand to decide whether offline store is necessary. The researcher has found that in Thailand, online shopping has grown substantially especially in fashion category. This provides a growth opportunity for Thai online fashion brands. However, there are problems of unreliable online transactions that online shoppers facing when purchasing online items. In addition, according to Sung and Jeon reported in the similar research from South Korea that some online shoppers still prefer online brands which offer both online and offline channels (Sung & Jeon, 2009).

##### **4.1.1 Thai internet industry overview**

In 2015, Euromonitor International (2015) reported that internet retailing in fashion category rose at estimated 13.7 percent reaching THB 2,187.8 million. As the Electronic Transactions Development Agency (Public Organization), or ETDA (2015) reported in Conference report, E-Commerce business has been growing in every year because there is increasing of E-Commerce sellers at estimated 5 percent from 2014. Moreover, developed technology leads to affordable price of smartphone, tablet computer, and smart watch to serve more demand of consumers. However, even though sales performance of pure internet retailing platforms in Thailand is better in 2015 compared to standalone retailers, there are still a massive number of Thai customers who cannot access the internet so offline store channels are still required to satisfy them (Euromonitor International, 2015).

#### **4.1.2 Thai internet user behavior**

Behaviors of the consumers have shifted to be in digital age so people tend to use internet more in their daily life such as searching for information through website, contacting each other through chatting program, playing game online, and shopping online. Internet users spend about 6.4 hours per day on both smart phone and computer (ETDA, 2016). In 2016, the uses of the internet through the smart phone have grown more than 9 percent compared to the previous year. Furthermore, new generations are growing up with modern communication technology and innovation so that their behaviors in digital era affect the growth of domestic online transactions (ETDA, 2016). Online shopping is definitely one of many internet activities that has increased every year.

Even though, E-Commerce transaction is growing fast and people tend to use online channel to purchase products, ETDA (2015) claimed that there are three main problems with the online purchasing goods; first, there are 58.7 percent of online transactions delaying in delivery. Second, there are 29.9 percent that the online shoppers receive incorrect products, and lastly, there are 24 percent that the online consumers suffered with damaged goods from delivery. These problems cause unreliability issues for online brands. Therefore, offline channel would be another option for online brand to create reliability and existence.

### 4.1.3 “Multi-brand store” in term of Thai fashion business



Figure 3 Multi-brand store

The multi-brand store is a standalone store which gathers small brands into one place by offering them selling spaces. In the fashion business, the multi-brand store is the recent growth trend that is quite competitive challenge for single brand store to compete with (yStats.com, 2015).

In Thailand, the multi-brand store has lately been developed for online fashion brands that have not yet opened their own store (Thiengthamcharoen & Quadri, 2016). The multi-brand store offers full-option services such as salesman, fitting room, and brand promoting for the online brands in exchange of rental clothes line fee and service fee. These offers would be more opportunities for online brand to create more brand awareness, existence, and reliability.

## 4.2 In-depth interviews result and key finding

*Objective1: Evaluate and understand online shoppers' behaviors, perceptions, and experiences when buying online fashion brands either online channel or offline channel or both.*

The factors were gathered and analyzed through in-depth interview results across the 25 in-depth interviews with Bangkok urbanite shoppers who used to buy the products via either online shop or offline store or both (Female = 25). Three interview methods were applied. Six respondents were interviewed by face-to-face.

Two of respondents were interviewed by Line chatting application interview. The others were interviewed by telephone.

The differences of findings from these three interview methods are not significant. Hence, all findings were combined and analyzed to get the results. After conducting 25 qualitative interviews with the shoppers, the results were analyzed to show the crucial success factors for Thai online fashion brand to run the business and make decision on multi-brand store.

Regarding research objectives, the findings can be summarized into three main points; **segment of online shoppers, key attributes for purchase decision making process, and the advantages and disadvantages of joining multi-brand stores.** The summary characteristics of three segments are presented in the table below:

Table 2 Summary Characteristics of Three Segments

SEGMENTS		“Pure online shopping”	“Economical orientation”	“Brand consciousness”
<b>CHARACTERISTICS</b>	<b>Age</b>	15 to 30	22 to 28	19 to 35
	<b>Occupation</b>	Young students, Housewives	First jobbers, Accountants	University students, Owners of business
	<b>Internet usages per day</b>	5.4 hours per day	6.2 hours per day	4.4 hours per day
	<b>The number of visiting fashion e-retailers per week</b>	More than 6 days per week	Less than 3 days a week	4 to 5 days a week
	<b>Experience in e-retailer</b>	Yes	Yes	Yes

SEGMENTS		“Pure online shopping”	“Economical orientation”	“Brand consciousness”
<b>CHARACTERISTICS</b>	<b>Experience in multi-brand store (offline store)</b>	No	Sometimes	Often
	<b>Casual wear (purchased during three months)</b>	T-shirts, Skirts, and Jeans	T-shirts, Blouses, and Dress	Jeans, Blouses, and Pants

#### 4.2.1 Segment of online shoppers

From 25 in-depth interviews, the findings included demographic information (age, gender, and occupation), internet usages (total hours to use the internet a day, and the number of visiting fashion e-retailers per week), and purchasing experience of fashion e-retailers at either online channel or multi-brand store or both. Besides, respondents were asked to rank how often buy items in each category of casual wear; t-shirts, blouse, shorts, pants, skirts, dress, and jeans where they purchased during three months. Three characteristics were generated from the findings.

##### 4.2.1.1 Pure online shopping

This group enjoyed shopping and spent time for shopping most. It showed the highest numbers of visiting fashion e-retailers (more than 6 days a week). They are likely to buy styles which they see on the internet. This segment usually visits fashion website even though they have no intention to buy. This segment perhaps visits fashion website not only shopping but also gathering information about fashion products since they are enjoyable shoppers. The casual wear which this segment is more likely to buy are t-shirts, skirts, and jeans. The majority is female, young



students (include high school student and university student), and housewives. In addition, all of them never had experience purchasing fashion product at multi-brand store because they think that as long as they satisfy the product they see on fashion e-retailers, they will order online right away. The existence of e-retailer by having offline store is not necessary for them than the reliability of the website and service mind of the sellers. These characteristics were also consistent with the highest number of items purchased online and present positive attitudes toward online fashion brands. Nevertheless, though pure online shopper enjoyed shopping online, value for money was considered since they have maximum price per item (not more than 800 baht) that they are willing to buy from e-retailers.

#### **4.2.1.2 Economical orientation**

This group had experience to buy fashion items both at e-retailers and multi-brand store. Although this group spent much time to use the internet, the number of visiting fashion e-retailers was the lowest (less than 3 days a week). The majority is female, first jobbers, and accountants. The casual wear which this segment is more likely to buy are t-shirts, blouses, and dress. This segment tends to buy clothes when they are on sales. This segment also considers value for money and buys clothes by comparing prices within different stores on both online and offline. Economical oriented shoppers give the most important to price so they do not concern much whether the clothes they buy come from online channel or multi-brand store as long as the clothes are value for money for them. Nonetheless, if comparing clothes price from e-retailer and multi-brand store is not much different, these shoppers would prefer going to buy online since this type of shoppers is corresponding with their fashion lifestyles and reasonable price.

#### **4.2.1.3 Brand consciousness**

This group is likely to buy well-known brand products, and they are less concerned about the price. They judge on the reputation and reliability of online brand from the number of followers on Instagram and Facebook, and existence of the online brand because a well-known brand means a good quality cloth. This group has high expectation from the online brand so they assume that the online brand would offer full options of service which are having both online channel to communicate and offline store for experiencing the real products. It appears that either they are afraid of or uncomfortable to checkout through the internet. They likely visit e-retailers to only get information about fashion products and still prefer offline stores to try on and buy the product by themselves. Thus, it is necessary to focus on the benefit of using or shopping online to create positive first impression and using offline store to create real experience, expectation, and point of purchase. The majority is female, university student, and owners of business. The casual wear which this segment is more likely to buy are jeans, blouses, and pants.

#### **4.2.2 Key attributes for purchase decision making process**

*Objective2: Analyze and summarize the important factors of purchasing decisions for online fashion items by each segment of online shoppers.*

From 25 in-depth interviews, the findings were analyzed and summarized into the important factors of purchasing decisions process for online fashion items. Those findings had been summarized into three key attributes that can influence and enhance purchasing online; product presentation attribute, point of sales attribute, and after service attribute. The summary top influential factors are presented in the table below:

Table 3 Summary Top Influential Factors

<b>Top influential factors</b>	<b>Hypotheses</b>
<b>Product presentation attribute</b>	X1: Product information X2: Visual presentation of fashion goods
<b>Point of sales attribute</b>	X3: Well advices of the sellers X4: Fast response of the sellers X5: Charging delivery fee X6: Price perceived to the internet users
<b>After service attribute</b>	X7: Service received after checkout fashion goods

#### **4.2.2.1 Product presentation attribute**

The first factor was named as “product presentation attribute”. This attribute included product information, and visual presentation of fashion goods. In order to sell fashion product online, sufficient and useful information about the product are required to make the shoppers easily understand and help to making decision of purchase. Furthermore, the visual presentation of the fashion product such as clear picture of the product, and an attractive photo with styles are needed to get attention from the shoppers. This attribute makes the online shoppers to get through the making decision process in information search step and judgment step easier.

#### **4.2.2.2 Point of sales attribute**

The second factor was labeled as “point of sales attribute” of online brands. This attribute included well advices of the sellers, fast response of the sellers, charging delivery fee, and price perceived to the internet users. This attribute helps the shoppers to easily make a purchase decision in making decision process model.

#### **4.2.2.3 After service attribute**

The third factor was named as “after service attribute”. This attribute included the services received after checkout fashion goods. This attribute would create loyal consumers to make the shoppers have low involvement in buying decision process model. In other word, achieving this attribute will reduce searching information process in terms of reducing the purchase decision in shorter time.

The results and findings of influential factors of buying decision making process were grouped and matched into each shopper segment. The summary was explained as follow:

#### **4.2.2.4 Pure online shopping**

This segment has never had experience in multi-brand store. They rated the highest score on product presentation attribute. These respondents had bought fashion items online and respond to their online shopping experience. When compared to overall satisfaction and intention to purchase online among three segments, pure online shopping segment showed the highest levels of overall satisfaction and intention to buy. Nonetheless, these shoppers have the maximum price in their mind when buying online without prior experiencing the real product. The maximum price that they are willing to buy online is not more than 800 baht per item. In addition, they intend to purchase online by taking much time for searching for information from e-retailers.

#### **4.2.2.5 Economical orientation**

This group is price sensitive. They considered value for money. The promotion and service fee play important role for this segment. These shoppers are likely to minimize the searching process. They are more likely to consider convenience and controlling their shopping

budget. Thus, in order to enhancing sales from these economical shoppers, the point of sales attributes such as well advices of the sellers, fast response of the sellers, charging delivery fee, and price perceived to the internet users are needed to be focused on for this group of segments.

#### **4.2.2.6 Brand consciousness**

Reliability and existence of online brand are important to this segment. They rated equal scores for all three attributes; product presentation, point of sale, and after service. Serving satisfy for this segment need to combine both online channel and offline channel. These shoppers used online channel for searching information and used offline store to make purchase decision. This group is not price sensitive. They believed that well-known brand represents good quality of product. They intended to buy product when they first impressed on the visual presentation of fashion goods and normally have an expectation offline store. They are potential to become loyal consumers. Moreover, these shoppers always spread positive word of mouth to others.

#### **4.2.3 The advantages and disadvantages of joining multi-brand stores**

*Objective3: Evaluate the advantages and disadvantages of joining multi-brand stores for Thai online fashion brands in terms of customer views.*

From 25 in-depth interviews, there were positive and negative opinions of an online brand to have an offline store. In order to get a new trend of expanding more channel for online fashion brand, the multi-brand store is become a new opportunity for the e-retailers that have not owned physical store. This study has found the results in term of the online shoppers' views which can be summarized into two views: the advantages and disadvantages.

#### **4.2.3.1 The advantages of joining multi-brand stores**

Majority of shoppers agreed that having multi-brand store as an offline store will make the online brand strengthen reliability, awareness, and existence. The multi-brand store offers real experience to the shoppers which pure e-retailers do not provide. The online shopper is not only able to search for information of the products from website but also is able to touch, and try from the real product. In addition, when the shoppers can experience the products that are sold in the multi-brand store, the making decision process will be minimized.

#### **4.2.3.2 The disadvantages of joining multi-brand stores**

Due to the latest trend of developing multi-brand store, there are a few multi-brand stores were established in Thailand. The locations of the multi-brand store are only in center of Bangkok and crowded area such as Siam square, Central Plaza Lardprao mall, and Mega Bangna mall. The limitation of multi-brand store locations made inconvenient to the shoppers who do not live nearby those areas. More than one-third of the respondents said that they are willing to buy the products online as long as those products can present clear and sufficient visual and information. Moreover, one-fourth of the online shoppers who had experience to purchase products at multi-brand store also claimed that there are so many choices of the products in the store that they cannot make a purchase decision.

## CHAPTER 5

### CONCLUSIONS AND RECOMMENDATIONS

#### 5.1 Conclusion

In conclusion, from interviewing 25 female online shoppers who live in Bangkok, we have learnt that different ages and different occupations led the online shoppers expressed specific buying behaviors. This study aims to classify internet shoppers by fashion lifestyles. We focus on ages ranged from 15 to 35 years, representative age groups of heavy internet users and experience on purchase fashion items online.

Three shopper segments are classified: Pure Online Shopper, Economical Orientated Shopper, and Brand Consciousness Shopper. Each segment agreed to different key factors that lead them to make purchase decision. Key factors with each segment are presented in the figure below:

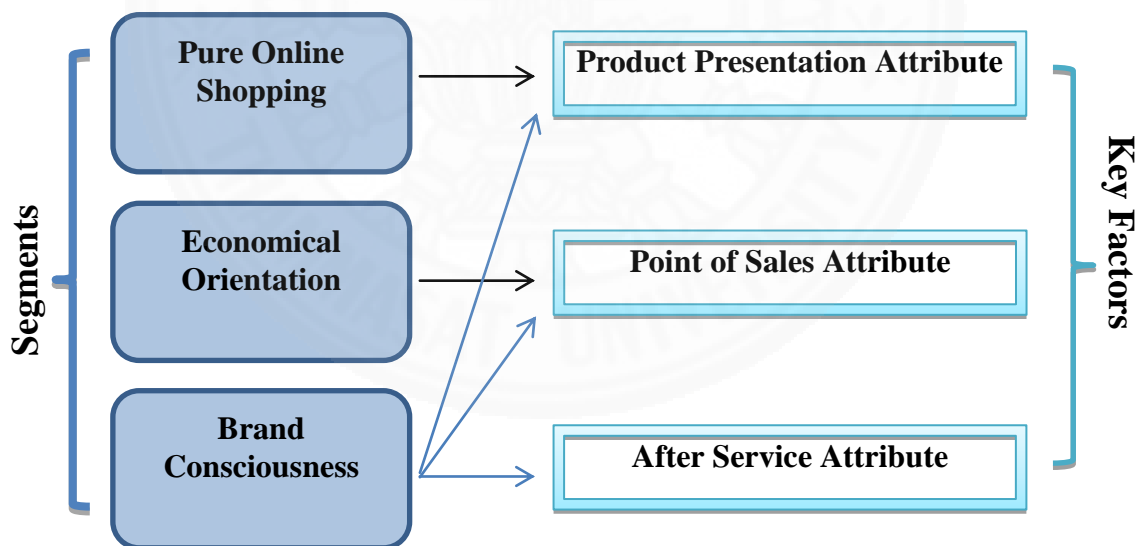


Figure 4 Matching Three Segments with Key Factors

## 5.2 Recommendations

According to different characteristics of the shoppers, the online brands need to focus on the right key factors of particular segment that the brands want to target. Value for money and price sensitive play important role for pure online shopping segments and economical orientation segment. Therefore, these first two segments are the most potential and important target market for low to mid-price fashion e-business. The online fashion brands can operate on pure online business to target these two segments. The multi-brand store is less important for these shoppers.

Pure Online Shopper only purchases online and has the most number of visiting fashion e-retailers. To enhance the purchase of fashion goods online for this segment, online fashion brand needs to focus on its first impression of the products by providing good product presentation attribute. Thus, fashion e-retailers such as fast fashion brands are proper to this segment because they offer a wide variety of products at valued prices.

Economical Shopper is a typical online user, hence basic items at valued prices rather than fashionable are interested to them. To enhance the purchase of fashion goods online for this segment, e-retailers require reinforcing after service attributes and price-related promotions.

For luxury brand (price more than 801 baht per item), brand consciousness segment is the most potential and would be the first major target for luxury e-retailers. In addition, the multi-brand store which collects many exclusive fashion items from various well-known online brands is suitable to this target brand consciousness shoppers. Since consumers in this segment have the needs for high-quality products with premium brands, and premium services. This segment is less price sensitive and become the most potential royal customers for the brands. These shoppers required both experience online and offline to meet or exceed their expectations.



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**APPENDICES**

## **APPENDIX A**

### **IN-DEPTH INTERVIEW DISCUSSION GUIDE**

#### **Consent Process**

Consent forms for in-depth interview participants were completed in advance. All the interviewees are chosen from required criteria. The interviewer needs to make sure that all interviewees understand the provided information and complete a consent form before starting the interview.

#### **Consent form**

Thank you for agreeing to participate. We are very interested to hear your valuable opinions on how important of joining multi-brand store for Thai online fashion brands. The purpose of this study focuses on market opportunities of Thai online fashion brands related to multi-brand store. We hope to learn things that the Thai online fashion brands can use to increase their sales.

The information you give us is completely confidential, and we will not associate your name with anything you say in the in-depth interview.

We would like to record the interview so that we can make sure to capture the thoughts, opinions, and ideas we hear from the group. No names will be attached to the in-depth interview report and the records will be destroyed as soon as they are transcribed.

You may refuse to answer any question or withdraw from the study anytime. We understand how important it is that this information is kept private and confidential.

If you have any question about your rights as a study participant, or are dissatisfied at any time with any aspect of this study, please contact MIM office at: Tel. (+662) 222-1331, (+662) 223-9983 or E-mail: [mim\\_admissions@tbs.tu.ac.th](mailto:mim_admissions@tbs.tu.ac.th)

## Introduction

### 1. Welcome

Thank you for agreeing to be part of the in-depth interview. We appreciate your willingness to participate. This interview will last about 30 minutes to complete.

### 2. Purpose of in-depth interviews

The reason we are having these interviews is to find out the important factors of joining multi-brand store for Thai online fashion brands. We need your input and want you to share your honest and open thoughts with us.

### 3. Ground rules

- We want you to do the talking
- There are no right or wrong answers
- What is said in this interview stays here
- We will record the interview

Interview questions guide for in-depth interview with Thai online shoppers

1. How often do you usually purchase fashion products via online?
2. Have you ever faced the problem while purchasing online?
3. What kind of fashion product do you normally buy online?
4. Do you know multi-brand store?
5. If no: What do you think about multi-brand store?
6. If yes: Have you ever purchased products or visited the multi-brand store?
7. What criteria those influence you to purchase one online brand?
8. Would you go to visit or buy at multi-brand store if online brand that you are interested in available there? Why or why not?
9. Is it necessary for online fashion brands to sell their stuffs at physical store? How important to you? (Rate 1-10)
10. What are advantages and disadvantages for online fashion brands in joining multi-brand store?

## APPENDIX B

### PROJECT TIMELINE

Activity	Project Timeline																							
	Dec-16				Jan-17				Feb-17				Mar-17				Apr-17				May-17			
	wk3	wk4	wk3	wk4	wk1	wk2	wk3	wk4	wk1	wk2	wk3	wk4	wk1	wk2	wk3	wk4	wk1	wk2	wk3	wk4				
Receive final proposal feedback	22																							
Submit revised proposal (if required)		9																						
<b>Data Collection</b>																								
Progress 1 report :			25																					
Progress 2 report :						16																		
<b>Data Analysis</b>																								
<b>Comprehensive report :</b>																								
Writing comprehensive report																								
Receive comprehensive report feedback														7										
Revised comprehensive report																								
<b>Final grade submission</b>																								
<b>Final comprehensive report submission</b>																								
<b>Turnitin result submission</b>																								
<b>Final comprehensive report submission to Mycat database</b>																								
<b>Final report submission to MIM office</b>																								
																				29				
																				29-31				

## BIOGRAPHY

Name	Miss Piyaporn Silapaouychai
Date of Birth	April6, 1988
Educational Attainment	2017-2015: Master's degree program in marketing (MIM), Thammasat university 2011-2007: Bachelor of commerce and accountancy, Chulalongkorn university
Work Position	Fashion business owner
Work Experiences	2011-2014: Senior audit assistance KPMG Phoomchai Audit Ltd. 2015-Present: Fashion business owner DenimOrnate Company Limited

