A STUDY OF CONSUMER ATTITUDES TO INSTANT FUNCTIONAL COFFEE

BY

MISS WARITTHA LIMDECHAPHAN

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

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ENTITLED

A STUDY OF CONSUMER ATTITUDES TO INSTANT FUNCTIONAL COFFEE

was approved as partial fulfillment of the requirements for

the degree of Master of Science Program in Marketing (International Program)

on……………………………….. 8 MAY 2017

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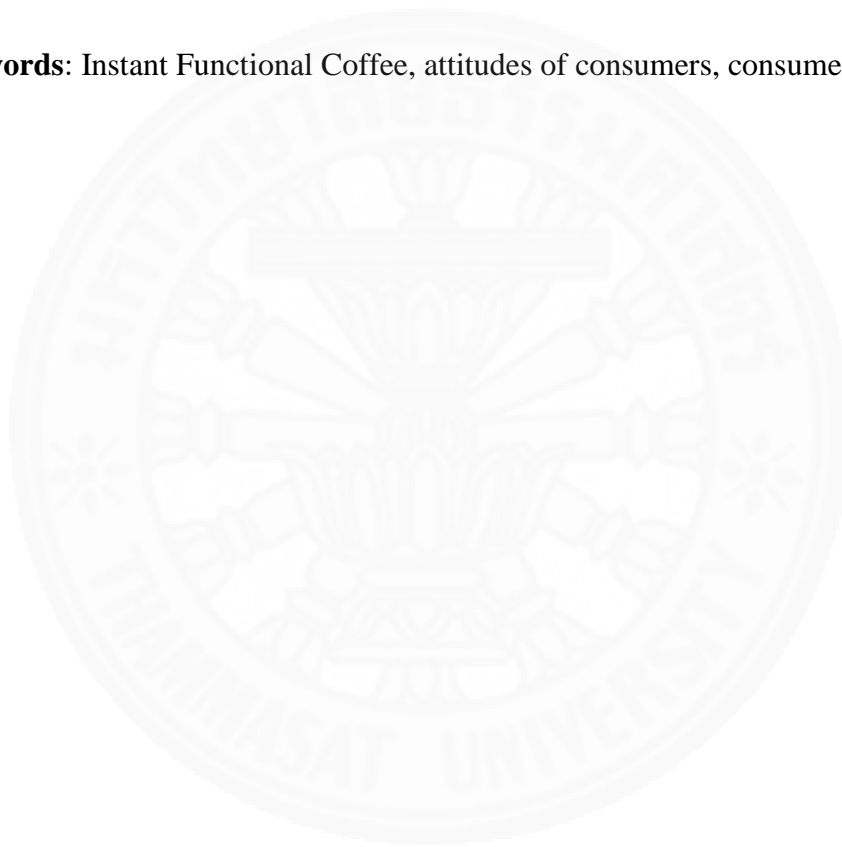|	
Independent Study Title	A STUDY OF CONSUMER ATTITUDES TO INSTANT FUNCTIONAL COFFEE
Author	Miss Warittha Limdechaphan
Degree	Master of Science Program in Marketing (International Program)
Major Field/Faculty/University	Faculty of Commerce and Accountancy Thammasat University
Independent Study Advisor	Professor Paul G. Patterson, Ph.D
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ABSTRACT

A study of Consumer Attitudes to Instant Functional Coffee is a contemporary topic in applied marketing topic focusing on health. The objectives are to understand current attitudes of consumers towards instant functional coffee, to identify factors and influences that affect purchasing of instant functional coffee, and finally to understand typical user profiles and consumer consumption behavior toward instant functional coffee.

To accomplish this topic, secondary research was gathered to obtain the information about market overviews, consumer behaviors, and the definition of instant functional coffee through desk research, publications, journals, and internet and so on. In addition, qualitative Method was obtained by in-depth interview recruiting of five target interviewees who are instant functional coffee drinkers. The information from in-depth interviews was applied in designing the questionnaire. The questionnaire was returned by 212 respondents, who were between the age ranges of 20-50 years and older who had consumed the beverage within one month.

The respondents were divided into two groups based on frequency of consumption for analysis. The light consumer group are the respondents which consume the beverage one time per day is 84% in total. The heavy consumer group who are respondents consume the beverage two times or more is 16% in total. Then, the quantitative data was analyzed by using the SPSS program and summarized in the outcome.

In conclusion, this study will give a better understanding of different attitudes between the light consumer and the heavy consumer. Also, both groups differences in terms of behavior to purchase instant functional coffee and product categories.

Keywords: Instant Functional Coffee, attitudes of consumers, consumer behaviors
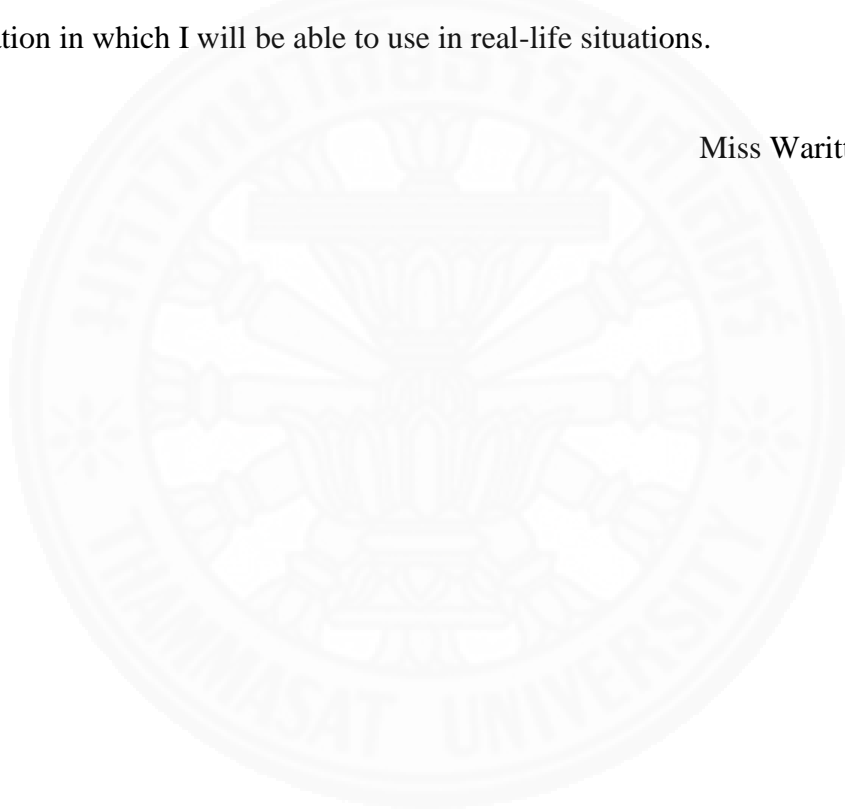
ACKNOWLEDGEMENTS

TABLE OF CONTENTS

LIST OF TABLES

LIST OF FIGURES

CHAPTER 1

INTRODUCTION

1.1 Problem Statement and Research Purpose

'*Instant functional coffee*' is Instant Coffee which claims certain advanced health benefits, such as helping to boost the immune system, burn fat, lower cholesterol, blocking the transformation of Carbohydrates into Glucose, or providing additional cognitive aspects.

Currently consumers are directing their consumption on foods and beverages that they believe will provide an additional benefit(s) to their diet and health. Thus, the manufacturers are being persuaded to provide these kinds of functional products that offer additional health benefits beyond the basic nutritional standards. This modern health and wellness trend has gained popularity and personal importance's to consumers, leading to an increase of functional beverages focused on these perceived benefits.

A survey result from the National Coffee Association in 2016, found that 64% of respondents drank at least one cup of coffee per day. Millions of people consume coffee on a daily basis making it one of the most popular beverage commodities globally. Furthermore, coffee drinkers appear to have a growing interest in wellness principles, so instant functional coffees, which provide some additional health benefits are currently rising rapidly.

1.2 Objective

According to the National Food Institute 2015 website, the Instant coffee market within ASEAN lends to a positive growth of 38% between 2013-2017, the market size is estimated $ 4000 mil. (Food Intelligence Center Thailand, 2015). Currently the instant coffee market in Thailand is $ 885 mil and is still continuing to grow by 3.5% each additional year. The instant functional coffee in Thailand is $ 75 mil. The Thai population consumes an average 0.5 kg per person per year, while the global consumption coffee averages 1.3 kg per person per year. (Siam Commercial Bank, 2015). This report demostrates that the Thai population consume the instant coffee currently less than the global average but has a great opportunity to continue to grow.

Most people who are coffee drinkers through various forms such as brew coffee, instant coffee, ready to drink coffee and so on, are active participates in the modern health conscious trend. This is an opportunity of manufacturers to meet the demands of consumers by adding healthful ingredients within their Instant Functional Coffee products. The study findings are also to understand the consumers behaviors towards instant functional coffee's, and the factors that determine their purchases, therefore helping manufacturers improve and innovate the instant functional coffee market.

Research Objectives:
1. To understand current attitudes of the consumer towards Instant Functional Coffee.
2. To identify factors and influences and affect the purchasing of
    Instant Functional Coffee.
3. To understand typical user profiles and consumer consumption behaviors toward
    Instant Functional Coffee.

1.3 Project Scope

Primary and secondary data gathered from in-depth interviews and online Questionnaire survey. The respondents are males and females between the ages 20-50 and above, who have consume instant functional coffee within the past one month. For in-depth interview methods the researcher conducted interviews with five separate individuals interviewees.

Important questions to gather results in this study: Why do you purchase Instant Functional Coffee? What factors affect your purchase of instant functional coffee?

Key variables of the study are 1) The coffee drinkers personal profile such as gender, age, income, etc. 2) The psychological factors such as the opinions and perceived rates of satisfaction. 3) The relevance of the modern health conscious trend.
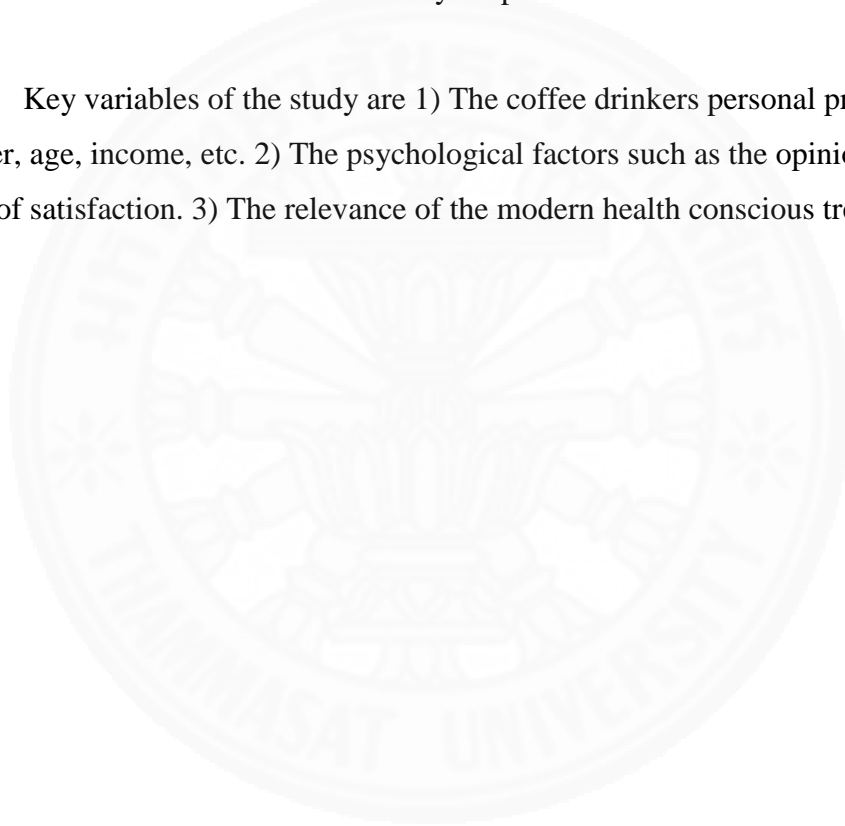
CHAPTER 2

REVIEW OF LITERATURE

Global Health and Wellness

Consumers are willing to pay more for higher health attributes. The report from Nielsen shows the dividing global respondents into four brackets of spending intent with the highest percentage only moderately willing to pay a premium for health claims. In addition, Nielsen's report (Nielsen, 2016) shows that consumers around the world are increasingly becoming concerned with their health. Nearly half (49%) of global respondents consider themselves overweight, and a similar percentage (50%) is actively trying to lose weight. They are doing so by making more healthful food choices— with help from food and beverage companies. Manufacturers are reformulating products to match these interests by such means as reducing sugar, cholesterol, and saturated fat.

Defining Instant Functional Coffee

Instant Functional Coffee is Instant Coffee that claims additional health benefits such as; helping boost the immune system, burn fat, lower cholesterol, or blocking the transformation of Carbohydrates into Glucose. (William Reed Business, 2016)

Background of Instant Functional Coffee in Thailand

Hectic and busy lifestyles with urban populations who are health conscious are an opportunity for the health and wellness industry currently. The urbanization and middle class is raising that drive stronger demand for health and wellness food. Therefore, the health and wellness food grows of 15% and continues growth. (Euromonitor, 2016)

Thailand has a diversified food and beverage market at 61% in 2015. The study demonstrates that Asian people consumption of coffee has continued to increase over the last 5 years which equates to about 1.75 K Metric Tons. For Thailand, the market size of coffee has reached $1.1 billion dollars in 2016 in four categories including, 3-in-1 coffee at 48.5%, followed by instant coffee 32%, ready to drink coffee 13%, and functional coffee accounting for around 6.5%. Thai people drink coffee at an average 0.5 kg. per person/per year, which as mentioned earlier is lower than the global average. The Instant Functional Coffee market is continuing to grow even though it is more expensive than regular Instant Coffee. Definitely, the consumers are willing to pay for value added, so Instant Functional Coffee in each brand must deliver what they promise. Consumers are becoming more educated furthermore, allowing them to access more in-depth information and understand what the products are offering. (thansettakij, 2016)

The brands of instant functional coffee are available in Thailand are Naturegift Coffee Plus, Nescafe Protect Proslim, Slim up, Truslen Coffee Plus and Moccona Trio. The key messages relayed in response to consumer trends in food and drink are; better-for-you options and natural energy-enhancing ingredients (Denis, 2016). Trending instant functional coffee marketing in Thailand includes higher protein, antioxidants, vitamins, probiotics, wellness, weight-loss, and relaxation.

The Theory of Reasoned Action

Theory of Reasoned Action (Ajzen, 1988) demonstrates that a person's behavior is influenced by his/her intention to perform the behavior. This intention is an action of his/her attitude toward the behavior and his/her subjective norm. Moreover, it is considered to be the immediate precedent of behavior. Three predictors lead to intention including 1) attitude toward the specific behavior 2) subjective norms and 3) perceived behavioral control.

Measuring attitudes toward the behavior is the degree to which the person has a favorable or unfavorable evaluation of the behavior in question. In addition, people's subjective norms refers to their beliefs about how people they concern will aspect the behavior in question. Finally, perceived behavioral control is defined as people's perceptions of their ability to perform a given behavior.

Definition of Customer Satisfaction

With a transaction-specific experience, customer satisfaction is defined as the post-choice evaluative judgment of a specific purchase occasion. Whereas a cumulative experience, customer satisfaction is determined as a result of a customer's evaluation of his or her total purchase and consumption experience over time. (Mittal, 2015)

CHAPTER 3

RESEARCH METHODOLOGY

3.1 Research methodology

The study will apply research approach of both qualitative and quantitative methods for collecting data. The two types of research methods that will help achieve objective of the study will be as follow:

Figure 3.1: Research framework

3.1.1 Exploratory Research

    1.1 Secondary research

           Secondary research gathered the information about market overview, consumer behavior, and definition of instant functional coffee. Also, the sources of data were obtained from desk research, textbook, publications and journal, and internet. In order to understand user profile and consumer consumption behavior toward instant functional coffee.

    1.2 Qualitative Method (In-depth interview)

           In-depth interviews were conducted with five interviewees to gain consumer insights. Moreover, the response of qualitative research was adjusted for designing the questionnaire.

3.1.2 Descriptive Research

    2.1 Questionnaire survey

        Questionnaire survey was launched by using online via Google Doc through social media channels, e-mail, and shared on website. Recruiting 250 respondents who are instant functional coffee drinkers. Due to time constraints, the study used a convenience Sampling method.

3.2 Sampling Plan

For both the in-depth interview and Questionnaire survey, the respondents were qualified as the following: Male or Female within the ages of 20-50 and above, who have consumed instant functional coffee within one past month. With the in-depth interview, the researcher conducted interviews with five interviewees. The respondents of the questionnaire survey diversified in behavior on consumption in terms of frequency. Therefore, they were divided into two groups; which were Light consumer group and Heavy consumer group.

3.3 Data collection plan

Qualitative research that was recruited five in depth-interviews. The interviews were based on a one-on-one interview at a location participates deemed convenient. On average each interview took approximately one hour. At the end, the interviewee was given a small gift for their time.

Quantitative research, Questionnaire survey had created and launched online channel toward Google docs. The respondents response the questions through link https://docs.google.com/forms/d/e/1FAIpQLSeBAZ_o4_NUyZpDDG3OORkGTGruTz Wh6TFCRHZu0YUBs4v95g/viewform. All of respondents had to pass the screening question to ensure the right target and attain suitable information for the study.

3.4 Data analysis plan

The analysis of in-depth interviews and questionnaire surveys were used to determine consumer attitude toward instant functional coffee, consumption behavior, purchases and factors that affect their purchasing decision of instant functional coffee.

For in-depth interviews, the analysis and summary of responses have been written recorded for the following: General information (gender, age) Consumption behavior (frequency, place, timing, favorite category, and volume), Attitude of instant functional coffee's drinker Consumer purchasing factors

For questionnaire survey, the data was collected and analyzed through the SPSS program (Statistical Package for the Social Sciences). The analysis method was frequency analysis to see each contributions of the data in overall, Independent Sample T-Test to compare mean among factors weighted by unrelated groups of consumer and Factor analysis to reduce the number of variables and group similar characteristics. Pearson Product Moment Correlation or PPMC measure degree of association between two variables (Attitude of instant functional coffee's drinker – Recommendation and Consumer purchasing factors).

CHAPTER 4

RESULTS AND DISCUSSION

4.1 Exploratory Research

Results from Secondary research

The consumers are looking for functional beverages that contain certain health benefits that may reduce their risks of disease or promote enhanced health such as additional protein, vitamins, antioxidants, and probiotics to fulfill their nutritional needs. Healthy categories are growing, thus it is an opportunity for Instant Functional Coffee manufacturers to provide such benefits to meet the needs of consumers. However, there are many competing brands in the market for example Naturegift, Nescafe, Slim up, Truslen and Moccona.

Results from in-depth interviews

To understand current *attitudes* of consumers and *consumer consumption behaviors* toward instant functional coffee, the in-depth interviews were conducted with five respondents in October 2016. The researcher could also explore insight and attitudes of the respondents towards instant functional coffee and understand their consumption behaviors within the in-depth interview.

Most respondents perceived the claimed benefits of instant functional coffee to be more of a marketing tool rather than portraying true benefits. Some of them believe the health benefits can enhance a sense of well-being. One of the respondents said, "I still buy instant functional coffee, although it is more expensive than normal coffee." Also, this comment was supported from another interviewee, "I think the price is worth it for my health." They normally buy or drink instant functional coffee to boost the brain, energy, improve beauty, skin and so forth. The impact of storage time, ingredients for

health, aromas, tastes and textures, and convenient packaging were considerations for purchasing decisions. The interviewee answered, "Messaging on packaging wich clearly informs me of the benefits will be help me to purchase." Most of them consume in the morning. The respondent, who was an office worker, reported that "I always drink instant functional coffee with some bread as breakfast." She added, "It's a convenience for me to save time because it is easy to make instant functional coffee." They purchase 2-3 months per time. Additionally, the consumer purchases instant functional coffee at supermarket, 7-eleven where is convenience store since it is easy to buy. Most of the consumer often consume in the morning. Sometimes, they consume Instant Functional Coffee in the afternoon. Furthermore, they buy Instant Functional Coffee under Naturegift, Nestle, Pure, Fitne and Moccona brands. One respondent answered, "I consume Naturegift and Nestle because I trust that brands."

4.2 Descriptive Research

4.2 Results from questionnaire Survey

The questionnaires received 212 qualified questionnaires, the researcher did data cleaning and coding, and the data was imported to the SPSS Program. The key findings from descriptive research can be summarized and analyzed as follows:

Section 4.2.1 Personal information

Table 4.1 Gender

Gender	Number	Percentage
Male	64	30.3%
Female	148	69.7%
Total	212	100.0%

Table 4.2 Age

Age	Number	Percentage
20-30	123	57.9%
31-40	59	27.6%
41-50	11	5.3%
More than 50	20	9.2%
Total	212	100.0%

As seen in the data in table 4.1 and 4.2, accounting for 30.3% of the respondents are male and 69.7% are female from 212 respondents. Age 20-30 years old is 57.9%. Age 31-40 years old is 27.6%. Age 41-50 years old is 5.3%, and Age 50 years old above is 9.2%

Section 4.2.2 Purchasing behavior of Instant Functional Coffee

Table 4.3 Frequency of purchase

Frequency of Purchasing	Number	Percentage
Every months	57	26.8%
2 months per time	64	29.3%
4 months per time	91	43.9%
Total	212	100.0%

As the data in table 4.3, about 43.9% of the respondents purchase Instant Functional Coffee 4 months per time, followed by the respondents 29.3% purchasing 2 months per time and accounting for 26.8% of the respondents purchasing every month.

Table 4.4 Channel

Where to purchase	Number	Percentage
Supermarket	85	40.5%
Convenience store	61	28.3%
Department store	64	30.1%
Healthy shop	2	1.1%
Total	212	100.0%

The data in table 4.4 displays,Majority of the respondents purchase Instant Functional Coffee through supermarkets accounting for 40.5 %, followed by 30.1% purchasing Instant Functional Coffee in Department stores and the remainder 28.3% purchasing at convenience stores.

Table 4.5 Volume per purchasing

Volume per purchasing	Number	Percentage
4 sachets per pack	47	21.3%
10 sachets per pack	112	53.4%
17 sachets per pack	53	25.3%
Total	212	100.0%

The data in table 4.5 dispalys, the respondents purchase Instant Functional Coffee 10 sachets per pack accounting for 53.4 %, followed by 25.3% purchase 17 sachets per pack, and about 21.3% purchasing 4 sachets per pack.

Table 4.6 Product Categories

	Factor		
	1	**2**	**3**
To help improve skin pigmentation, brightening and lightening skin	0.882		0.304
To help body shape benefit	0.821		0.423
To help reduce controls the blood sugar		0.856	0.348
To help manage the weight	0.586	0.673	
To help boost energy			0.814
To help improve Memory		0.327	0.876
To help improve Neuro system		0.358	0.833

As shown in the data in table 4.6, The Product categories were created based on five point Likert scales to determine. 1= Not Important 2 = Slightly Important, 3= Important, 4 = Fairly Important 5 = Very Important As table 4.6 shows, there were 7 factors that underline for the product categories to Instant Functional Coffee. The 3 categories cumulative to represent 84.5% of the variance around the 3 categories. The 3 categories that emerged are as follows:

Appearance (category 1) represents attitude factors related to helping improve skin pigmentation, brightening, lightening skin and body shaping benefits.

Health benefits and energy (category 2) represents attitude factors related to help reduce or control the blood sugar.

Brain (category 3) represents attitude factors related to help and boost energy, improve memory and neuro-system (cognitive) functioning.

Section 4.2.3 Consumer Consumption Behavior

Table 4.7 Timing of consumption

Timing of Consumption	Number	Percentage
In the morning	144	67.3%
At noon	28	13.1%
In the afternoon	34	15.7%
In the evening	6	3.9%
Total	212	100.0%

As seen in the data in table 4.7, the findings show that the majority of consumers usually intake Instant Functional Coffee in the morning accounting for 67.3%, followed by the consumers who intake Instant Functional Coffee in the afternoon for 15.7%, with at noon and in the evening accounting for 13.1% and 3.9% as priority.

Table 4.8 Frequency of consumption

Frequency of Consumption	Number	Percentage
1 time per day (Light Consumer)	177	83.5%
2 times per day (Heavy Consumer)	25	11.3%
3 times per day (Heavy Consumer)	9	3.2%
More 3 times per day (Heavy Consumer)	3	2.0%
Total	212	100%

As the data in table 4.8 shows, the frequency of consumption about Instant Functional Coffee records a total 212 respondents, thus the researcher grouped respondents into two groups for future analysis based on frequency of consumptions: the light consumer group who are the respondents consume only one time per day is 83.5% or total 177 respondents are within this group. The heavy consumer group who are respondents consume two times or more per day is 19.3% or total 34 respondents are within this group.

Section 4.2.4 Attitudes of Consumer toward Instant Functional Coffee

Table 4.9   How long have you been a customer?

Period	Number	Percentage
Less than 1 year	95	44.6%
1- 3 years	30	14.1%
4-5 years	21	9.7%
6- 10 years	28	13.2%
10 or more	39	18.4%
Total	212	100.0%

As the data in table 4.9 shows, the majority (44.6%) of respondents have been consuming IFC for less than 1 year, followed by 18.4% the respondents of are the customer for 10 years or more, the remaining respondents reported purchasing between 1-3 years, and 6-10 years accounting for 14.1%, 13.2% as priority. The remaining 9.7% are customer for 4-5 years.

Table 4.10 Recommend Instant Functional Product

Recommend Instant Functional Product	Number	Percentage
Definitely will	18	8.5%
Probably will	49	23.2%
Might or might not	115	54.1%
Probably will not	27	12.6%
Definitely will not	3	1.6%
Total	212	100.0%

As the data in table 4.10, the findings displayed is the respondents who might or might not to recommend their relatives to consume Instant Functional Coffee accounting for 54.1%. Accounting for 23.2% of the respondents who probably will recommend their relatives to consume Instant Functional Coffee, and about 12.6 % of the respondents who probably will not recommend their relatives to consume Instant Functional Coffee.

Table 4.11 Repurchase Instant Functional Product

Repurchase Instant Functional Product	Number	Percentage
Definitely will	32	15.3%
Probably will	65	30.7%
Might or might not	99	46.9%
Probably will not	11	5.2%
Definitely will not	4	1.9%
Total	212	100.0%

The data in table 4.11 represents the findings of the respondents who might or might not continue to purchase the current Instant Functional Coffee brand accounts for 46.9%, accounting for 30.7% is the respondents who probably will continue to purchase the same brand, and about 15.3 % of the respondents who will definitely continue to purchase the same brand.

Table 4.12 Attitudes toward Instant Functional Coffee

	Factor			
	1	2	3	4
Good taste ,flavor, aroma, and texture	.887			.338
Product hygiene	.778	.408		
Helping health benefits	.899	.424		
Serving Healthy ingredient i.e. vitamins, antioxidants, collagen	.666	.314		.515
Attractive packaging design		.854		
Readily observable and legible nutrition fact label on package		.808		.321
Trustworthy brand	.585	.689	.888	
Well-known brand	.616		.747	
Be simply processed and quick to prepare		.651		
Appropriate claim to have desire benefit	.376	.358		
Reasonable price				.890
Value for money				.870

The attitudes of consumers was created based on five points Likert scales to determine. The meaning of each scale as followed: 1= Strongly Disagree 2 = Disagree, 3= Neutral, 4 = Agree, 5 = Strongly Agree

As table 4.12, there were 4 factors that underline for the consumer's attitude to Instant Functional Coffee. The 4 factors cumulatively represent about 86.5% of the variance. The 4 factors are as follows:

1) Product quality and benefit (Factor 1) represents attitude factors related to taste, product hygiene and benefit.

2) Packaging design and nutrition label (Factor 2) represents attitude factors related to attractive packaging and legible nutrition facts label on package.

3) Trustworthy and famous brand (Factor 3) represents attitude factors related to trustworthiness and well-known brand.

4) Reasonable price (Factor 4) represents attitude factors related to reasonable price and value for money

Table 4.13 Purchasing factors for Instant Functional Coffee

	Factor					
	1	**2**	**3**	**4**	**5**	**6**
Good taste ,flavor, aroma, and texture	.810					
Product hygiene	.798					
Helping health benefits	.764					
Serving Healthy ingredient	.587		.493	.305		
Attractive packaging design	.552	.807		.441		.415
Readily observable nutrition fact label on package	.330	.816			.314	
Trustworthy brand			.820	.408		
Well-known brand		.787	.773			
Be simply processed and quick to prepare		.639			.543	
Appropriate claim to have desire benefit						
Reasonable price	.336			.889	.391	
Value for money	.440		.602	.747		.405
Easy to purchase		.437			.882	
Free product in pack			.389			.430
Price discount	.455			.388	.633	
Buy One Get One Free					.617	
Upsize	.399					.852
Booth at point of purchase			.449			.830

A purchasing behavior of consumer was created based on five points Likert scales to determine. The meaning of each scale as followed: 1= Not Important, 2 = Slightly Important 3= Important, 4 = Fairly Important, 5 = Very Important

As table 4.13, there were 6 factors that drive a purchasing decision. The 6 factors cumulative to represent about 85.7% of the 18 variables. The 6 factors are as follows:

1) Product features (Factor 1) represents purchasing factors related to taste, product hygiene and benefit.

2) Clarity and good design on packaging (Factor 2) represents purchasing factors related to attractive packaging, legible nutrition fact label and brand on package.

3) Credible brand (Factor 3) represents purchasing factors related to trustworthy brand.

4) Acceptable price (Factor 4) represents purchasing factors related to reasonable

price and value for money.

5) Easy to purchase (Factor 5) represents purchasing factors related to easy to purchase.

6) Promotion (Factor 6) represents purchasing factors related to upsize and booth.

Table 4.14 Consumption level group different on *Consumer attitude factors*

Consumer Attitude Factors	Light Consumer (n=178)		Heavy Consumer (n=34)		t	Sig. (2-tailed)
	Mean	S.D.	Mean	S.D.		
Factor 1: Product quality and benefit	3.71	1.12	2.85	1.09	4.09	0.00
Factor 2: Packaging design and nutrition label	3.72	1.02	2.68	0.88	5.61	0.00
Factor 3: Trustworthy and famous brand	3.82	1.06	3.03	0.83	4.11	0.00
Factor 4 : Reasonable price	3.85	1.16	2.65	1.26	5.45	0.00

*The 2 groups of consumers from *table 4.8 frequency of consumption*

** The 4 factors of Consumer Attitude Factors from *table 4.12 Attitudes toward Instant Functional Coffee*

The data in table 4.14 is the results from the independent Sample, a t-test to compare means shows the factors that influence consumer's attitude toward Instant Functional *(See table 4.12)* Coffee between the light consumer group and heavy consumer groups *(See table 4.8)*. Means of factors 1: product quality and benefit between two groups are 3.71 and 2.85. The difference between the means was significant (t=4.09, $p < 0.00$, two-tail) that less than the significant level at 0.01. Therefore, the light consumer group and the heavy consumer group attitude differently for factor 1: Product quality and benefit. For the rest factors; factor 2: packaging design and nutrition label, factor 3: trustworthy and famous, and factor 4: price shown p-value are 0.00 between light consumer group and the heavy consumer group. Hence, three factors also signify both two groups that interpret difference.

Table 4.15 Consumption level group differences on *purchasing factors*

Purchasing Factors	Light Consumer (n=178)		Heavy Consumer (n=34)		t	Sig. (2-tailed)
	Mean	S.D.	Mean	S.D.		
Factor 1: Product features	4.06	0.92	3.12	1.13	5.29	0.00
Factor 2: Clarity and good design on packaging	3.46	1.07	2.65	0.77	5.26	0.00
Factor 3 : Credible brand	4.06	1.02	2.78	1.05	6.71	0.00
Factor 4 : Acceptable price	3.98	1.12	3.16	0.80	5.09	0.00
Factor 5: Easy to purchase	3.84	1.15	2.97	0.94	4.13	0.00
Factor 6 : Promotion	3.34	1.05	2.68	0.82	4.10	0.00

*The 2 groups of consumers from *table 4.8 frequency of consumption*

** The 6 factors of Purchasing factors from *table 4.13 Purchasing factors for*

Instant Functional Coffee

The data in table 4.15 displays the results from independent Sample, t-test to compare means shows the factors that influence purchase decision *(See table 4.13)*. The six factors that differ between light consumer group and the heavy consumer group *(See table 4.8)* are factor 1: Product features, factor 2: Clarity and good design on packaging, factor 3: Credible brand factors 4: Acceptable price, factor 5: easy to purchase and factors 6: promotion. With the results, all of the six factors, was significant with P-value at 0.00, two-tail that less than the significant level at 0.01. This can be interpreted that the two groups differ from purchasing behavior.

Table 4.16 Consumption level group different on *Product categories*

Product categories	Light Consumer (n=178)		Heavy Consumer (n=34)		t	Sig. (2-tailed)
	Mean	S.D.	Mean	S.D.		
category 1 : Appearance	2.68	1.24	2.46	1.36	0.94	0.35
category 2 : Health benefits	3.36	1.10	2.86	0.91	2.49	0.01
category 3 : Brain	3.17	1.34	2.62	1.48	2.19	0.03

The data in table 4.16 displays the results from independent Sample, t-test to compare means shown the categories of Instant Functional Coffee *(See table 4.6)* that influence between light consumer group and heavy consumer group *(See table 4.8)*. Category 1: Appearance does not differ between two groups in which the light consumer group mean is 2.68, while the heavy user group mean is 2.46. The difference between means was significant with t=0.94, $p < 0.35$, two-tail. The result indicates the light user group and the heavy user group differ greatly for category 2: Health benefits and Energy 3: Brain. For both categories, the p-value are 0.01, 0.03 respectively which less than the significant level at 0.05.

Table 1.17 *IFC product Attributes* and *WOM Recommendations*

Correlations							
Recommendation of IFC to friend or relative		Good taste ,flavor, aroma, and texture	Product hygiene	Helping health benefits	Serving Healthy ingredient	Attractive packaging design	Readily observable and legible nutrition fact label on package
	Pearson Correlation	.184**	.140*	.100	.286**	.064	.149*
	Sig. (2-tailed)	.008	.042	.149	.000	.355	.030
	N	212	212	212	212	212	212

**. Correlation is significant at the 0.01 level (2-tailed).

*. Correlation is significant at the 0.05 level (2-tailed).

Correlations							
Recommendation of IFC to friend or relative		Trustworthy brand	Well-known brand	Be simply processed and quick to prepare	Appropriate claim to have desire benefit	Reasonable price	Value for money
	Pearson Correlation	-.121	-.077	.028	-.028	.026	-.066
	Sig. (2-tailed)	.080	.268	.682	.690	.705	.340
	N	212	212	212	212	212	212

**. Correlation is significant at the 0.01 level (2-tailed).

*. Correlation is significant at the 0.05 level (2-tailed).

Correlations							
Recommendation of IFC to friend or relative		**Easy to purchase**	**Free product in pack**	**Price discount**	**Buy One Get One Free**	**Upsize**	**Booth at point of purchase**
	Pearson Correlation	.119	.145[*]	.153[*]	.088	.106	.075
	Sig. (2-tailed)	.085	.036	.027	.202	.124	.280
	N	212	212	212	212	212	212

**. Correlation is significant at the 0.01 level (2-tailed).

*. Correlation is significant at the 0.05 level (2-tailed).

High correlation: 0.5 to 1.0 or -0.5 to 1.0.
Medium correlation: 0.3 to 0.5 or -0.3 to 0.5.
Low correlation: 0.1 to 0.3 or -0.1 to -0.3.

A Pearson Product Moment Correlation coefficient was computed to access the relationship between Recommendation of Instant Functional Coffee and Purchasing factors to Instant Functional Coffee in terms of product quality ($r = 0.184$, $n = 212$, $p = 0.008$) ,product hygiene ($r = 0.140$, $n = 212$, $p = 0.042$), Serving Healthy ingredient ($r = 0.286$, $n = 212$, $p = 0.000$), Readily observable and legible nutrition fact label on package ($r = 0.149$, $n = 212$, $p = 0.030$),free product in pack ($r = 0.145$, $n = 212$, $p = 0.036$) and price off ($r = 0.153$, $n = 212$, $p = 0.027$). The result shown that there was positive correlation as r = between 0.145 and 0.286. This is quite low, which suggest a lesser relationship.

CHAPTER 5

CONCLUSIONS AND RECOMMENDATIONS

Summary and Conclusion

The demand for Instant Functional Coffee not only continues to increase, but also continues to drive the market. As a result, the lifestyles of consumers change for example health consciousness and a hectic life. Instant Functional Coffee market is competitive witness growth while the key competitors who provide many different flavors, and categories for consumers are maintaining their dominance in the Instant Functional Coffee market. This market has multiple well-known coffee competitor brands.

According to this study, the analysis was based on the 212 respondents who qualify within the criteria and drink Instant Functional Coffee. Most of the respondents are female with the majority age of 20-30 years old. The research classified the respondents by their frequency of consumptions. First group is the Light Consumer who intakes one time per day and the second group is Heavy Consumer who intakes two times or more per day. After that, the goal was to categorize three main benefit categories of Instant Functional Coffee. The three groups consist of 1) Appearance- related skin pigmentation, brightening, lightening skin as well as body shape benefit, 2) Health benefits and Energy- related to the blood sugar, and 3) Brain- related to boosting energy, memory and neuro-system (cognition).

The consumer attitudes aspects of instant functional coffee factors reveal the results that both the light consumer group and heavy consumer group have significantly different attitudes when deciding why to purchase a particular IFC. The quality and benefit of product are highly responsive to the light consumer group. The heavy consumer group had a medium response to packaging design, nutrition label,

trustworthiness of brand and well-known brand. Moreover, the heavy consumer group has a lesser response to reasonable price and value for money than light consumer group. In addition, purchasing decision factors to Instant Functional Coffee in terms of good taste, hygiene, health ingredient product, nutrition fact label on package, free product in pack and price discount affects on consumers to high recommend and positive attitude toward Instant Functional Coffee with friends or relatives.

The consumer behavior aspects of purchasing factors results reveal that both the light consumer group and heavy consumer group have significant differences in purchasing factors. The purchasing factors of product and promotion, which is upsizing and booth, has influence between the two consumer groups. However, the rest of the purchasing factors; trustworthy brand, well-known brand, packaging design, reasonable price, value for money as well as easy to purchase are more influential in the light consumer group than heavy consumer group.

The consumer preference aspects of product categories, the results reveal that both the light consumer group and heavy consumer group do not have significant differences in the appearance category. However, health benefits and brain categories have significant differences between the two groups. Products offering health benefits and Energy category such as controlling blood sugar and management of weight was highly preferential for light consumer group. The heavy consumer group was less inclined towards the benefits of improving memory and neuro system (cognition) product than light consumer group.

The suggestion for further insight into this subject study would emphasize the specific targets of consumer consistent with the product categories. Thus, the findings will need to be more clear to understand the influential purchasing factors and attitudes toward instant functional coffee in details. Furthermore, the study will not only have the appropriate information to develop products to meet greater demand, but also come up with marketing strategies to be applied in the business.

Business implications

In this study the emphasis on the manufacturers is to adopt marketing concept and develop marketing orientated strategies. Marketing strategies should be implemented at the functional level, for example product, promotion, distribution and price. The manufacturers should attract more consumers by making innovations in instant functional coffee in terms of benefits with different consumer; aroma, multiple flavors and product information on the packaging. Moreover, clear nutritional facts labeling on packages are a valuable source of information that informed decisions by helping them understand the health benefits. Manufacturers need to provide easy-to-understand benefits which relate to purchasing decisions of consumers. In addition, scientific support for health promises are provided on packaging to build consumer trust. Also, building the trust brand image would be advantage for the company in terms of the opportunity to sales and setting the price. The marketplace should match with the target behavior and be easy available at such places as convenience stores, supermarkets, and hypermarkets. Moreover, upsize product and promotion booth activity would be an asset to focus on.

Limitations of the Study

The study applied the non-probability sampling method by judgmental sampling type due to time and cost considerations. Thus, the findings and results from qualitative research might not represent the majority of entire population. In addition, the response rate of questionnaire surveys online is lower level than expectation because of some incomplete responses. Moreover, the data had no guarantee from respondents provided accurate demographic or characteristics information.

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APPENDICES

APPENDIX A

THE IN-DEPTH INTERVIEW QUESTIONS

Screening Questions

Q.1 Do you consume Instant Functional Coffee?

Q.2 How many times do you consume Instant Functional Coffee in the one past month?

Section 1: Instant Functional Coffee

Q.3 What the benefit offering of Instant Functional Coffee do you need?

Q.4 Which types of Instant Functional Coffee do you consume the most?

Q.5 What Instant Functional Coffee brand do you purchase?

Q.6 What is the influence you to purchase Instant Functional Coffee?

Q.7 Where do you purchase Instant Functional Coffee?

Q.8 How many do you purchase Instant Functional Coffee per time?

Q.9 How often do you consume Instant Functional Coffee?

Q.10 When do you intake Instant Functional Coffee?

Section 2: Attitude to Instant Functional Coffee

Q.11 Why do you purchase Instant Functional Coffee?

Q.12 What are the outcomes after you intake Instant Functional Coffee?

APPENDIX B

QUESTIONNAIRE

Questionnaire: A study of Consumer Attitudes to Instant Functional Coffee

Instant functional coffee is the Instant Coffee, which claims a health benefit, such as helping boost the immune system, burn fat, lower cholesterol, or blocking the transformation of Carbohydrates into Glucose.

Sample of Instant Functional Coffee in Beauty Shape category

Sample of Instant Functional Coffee in Health and Energy category

Sample of Instant Functional Coffee in Brain and Memory category

Screening Question:

Q.1 Have you ever tried Instant Functional Coffee products past 1 month?

□ Yes, I have (Go to Q.2)

□ No, I have not (End of questionnaire)

Section 1: Purchasing behavior of Instant Functional Coffee

Q.2 How often do you purchase Instant Functional Coffee?

□ Every months

□ 2 months per time

□ 4 months per time

□ Other ……………… (Please specify)

Q.3 Where do you purchase Instant Functional Coffee?

□ Supermarket (e.g. Tops, Home fresh Mart)

□ Convenience store (e.g.7-11, Family mart)

□ Department store (e.g. Tesco, Big C)

□ Healthy shop

□ Others ……………….. (Please specify)

Q.4 How many pack size do you purchase Instant Functional Coffee?

□ 4 sachets per pack

□ 10 sachets per pack

□ 17 sachets per pack

□ Others ……………….. (Please specify)

Q.5 Which is Instant Functional Coffee category (Based on benefit) you are favorite?

Factor	Not Important	Slightly Important	Important	Fairly Important	Very Important
Product : Appearance					
1. Helps improve skin pigmentation, brightening and lightening skin	1	2	3	4	5
2. Helps body shape benefit	1	2	3	4	5
Product : Health benefits					
3.Helps reduce controls the blood sugar	1	2	3	4	5
4.Helps manage the weight	1	2	3	4	5
5.Helps boost energy	1	2	3	4	5
Product : Brain					
6.Help improve Memory	1	2	3	4	5
7.Help improve Neuro system	1	2	3	4	5

Consumption behavior

Q.6 How many times do you drink Instant Functional Coffee per day?

□ 1 time per day □ 2 times per day

□ 3 times per day □ More 3 times per day

Q.7 When do you drink Instant Functional Coffee?

□ In the morning □ At noon □ In the afternoon

□ In the evening □ Others ……………….. (Please specify)

Section 2: Attitudes of consumer toward Instant Functional Coffee

Q.8 Please respond the factors that based on you *experience* toward Instant Functional Coffee.

(Please rate only one score of each attribute, 1= Strongly Disagree, 5= Strongly Agree)

Factor	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Product					
1. Good taste ,flavor, aroma, and texture	1	2	3	4	5
2 Product hygiene	1	2	3	4	5
3. Helping health benefits	1	2	3	4	5
4. Serving Healthy ingredient i.e.vitamins,antioxidants,collagen	1	2	3	4	5
5. Attractive packaging design	1	2	3	4	5
6. Readily observable and legible nutrition fact label on package	1	2	3	4	5
7. Trustworthy brand	1	2	3	4	5
8. Well-known brand	1	2	3	4	5
9. Be simply processed and quick to prepare	1	2	3	4	5
10. Appropriate claim to have desire benefit	1	2	3	4	5
Price					
11. Reasonable price	1	2	3	4	5
12. Value for money	1	2	3	4	5

Q.9 How long have you been a customer of Instant functional Coffee in total?

□ Less than 1 year   □ 1- 3 years

□ 4-5 years   □ 6 - 10 years

□ 10 or more

Q.10 Based on your experience with Instant Functional Coffee, would you recommend

this products to a friend or relative?

□ Definitely will

□ Probably will

□ Might or might not

□ Probably will not

□ Definitely will not

Q.11 Based on your experience with Instant Functional Coffee, how likely are you to buy

this products again?

□ Definitely will   □ Probably will   □ Might or might not

□ Probably will not   □ Definitely will not

Section 3: Purchasing Decision factors to Instant Functional Coffee

Q.12 Please respond the factors that influence you to purchase Instant Functional Coffee.

(Please rate only one score of each attribute, 1= not important, 5= very important)

Factor	Not Important	Slightly Important	Important	Fairly Important	Very Important
Product					
1. Good taste ,flavor, aroma, and texture	1	2	3	4	5
2 Product hygiene	1	2	3	4	5
3. Helping health benefits	1	2	3	4	5
4. Serving Healthy ingredient i.e. vitamins, antioxidants, collagen	1	2	3	4	5
5. Attractive packaging design	1	2	3	4	5
6. Readily observable and legible nutrition fact label on package	1	2	3	4	5
7. Trustworthy brand	1	2	3	4	5
8. Well-known brand	1	2	3	4	5
9. Be simply processed and quick to prepare	1	2	3	4	5
10. Appropriate claim to have desire benefit	1	2	3	4	5
Price					
11. Reasonable price	1	2	3	4	5
12. Value for money	1	2	3	4	5
Place					
13.Easy to purchase	1	2	3	4	5

Factor	Not Important	Slightly Important	Important	Fairly Important	Very Important
Promotion					
14. Free product in pack	1	2	3	4	5
15. Price discount	1	2	3	4	5
16. Buy One Get One Free	1	2	3	4	5
17. Upsize	1	2	3	4	5
18. Booth at point of purchase	1	2	3	4	5

Q.13 Gender　　　　□ Male　　　　　　□ Female

Q.14 Age　□ 20-30 years old　　□ 31-40 years old　　　□ 41-50 years old　　　□ 50 years old above

BIOGRAPHY

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