

# Customer Purchase Intention on Chinese PVB Film Products in Thailand in 2014

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## Abstract

The objectives of the study were to investigate the factors influencing the purchase intention of Thai buyers for Chinese PVB film. The target population of this research was employees at Thai glass factories. The sample size for this study is 400. The seven independent variables of this research were cost of Chinese PVB film, free of import duty of the Chinese PVB film, quality, after sales service, brand loyalty, buyer/seller relationship, and the market share. The dependent variable was purchase intention of Thai buyers for Chinese PVB film in Thailand. Market share, after sale service, quality, and buyer-seller relationship had positive effects respectively toward purchase intention of Thai buyers for Chinese PVB film. Any PVB film business owner could benefit from studying this research in order to have more opportunities for success in Thailand.

*Keywords: Customer Purchase Intention, Chinese PVB Film Products, Thailand*

## 1. Introduction

In Thailand, PVB films were mainly imported and were commonly used as materials in the construction industry (CI) and automotive industry. The CI of Thailand had been experiencing growth since 2011, especially in 2013, when many condominiums, hotels, houses, and villas were built greatly contributing to the growth of the CI. So it was imperative to study the PVB Film market in Thailand to examine factors influencing the purchase intention of Thai buyers for Chinese PVB film. Asia was the world's biggest PVB film market and had the largest production base. Globally, 34.4% PVB film was manufactured in Asia. PVB film in Asia had 36% market shares. In Asia PVB film was mainly produced in Japan, China, Korea, and India (www.docin.com, 2014). Thailand's automotive industry yearly output was about 1.5 million automobiles, which was more than the United Kingdom, Italy, Turkey, and Belgium. Thailand's automotive industry was the largest in Southeast Asia and the 9th largest in the world. Mostly Japanese and South Korean automobiles were built in Thailand. The Thai automotive industry had the advantage of being in the ASEAN Free Trade Area (AFTA). Thailand also had the biggest pickup truck market in the world (Wikipedia, 2014)

Since the flood of 2011, Thailand's government had focused efforts on post-disaster reconstruction. This had led to the rapid development of Thailand's architecture industry. In 2013, many condominiums had risen near subway and train stations. In the same year, many hotel, housing, and villa development projects were developed. Raw materials for construction in Thailand relied mainly on imports. China was the biggest country that exported to Thailand. PVB film would have prospective opportunities for success in Thailand. Chinese PVB film had a large capacity and potential for export to Thailand. Moreover, Thailand had a large demand for automotive laminate glasses and architectural laminate glasses (www.docin.com, 2014).

In terms of theories, purchase intention was defined as the behavior that consumers were searching for such as buying, using, evaluating, and disposing the services and products that were assumed to satisfy the consumer's needs (Pelau, 2011). Cost, product quality, service, and relationship were factors that had significant effect on purchase intention of Thai buyers (Islam, 2011). Parasuraman emphasized on after-sales service as a robust selling tool, that facilitated companies to gain extra purchase intention and potential success to be competitive within the market (Parasuraman, Zeithaml, & Berry, 1988). Cost had great contribution to the competitiveness of PVB film products, for example, Japan Seksui PVB film set up a PVB film factory in Thailand for reducing cost. This demonstrated that cost could affect PVB film's competitive advantage in Thailand (bangkokpost.com, 2014). According to the Thai-China free trade agreement, once the export documents were ready, the exporters could obtain the privilege for tax reduction. This policy influenced the purchase intention of Thai buyers for Chinese PVB film (Hui, 2010). Quality was conformance to requirements, fitness for use, and the degree to which performance met expectations. Quality denoted an excellence in goods and services, especially to the degree which they conformed to requirements and satisfy customers (Chandrupatla, 2014). Brand loyalty was important for business success. Developing and maintaining long-term relationship with customers are important concerns to marketing managers. Brand loyalty helped with a better understanding of the link between consumers and a brand. Brand loyalty also was a factor that could determine if a product would have a competitive advantage or not (Touzani, 2009). Furthermore, brand loyalty could help the better understanding between brand and customer, brand loyalty was strategic objective in marketing management for good (Rosenberg & Cepiel, 1983). In this study, The market share referred to market share of Chinese PVB film in the Thai market as the percentage of PVB market's total sales that was earned by PVB company over a specified time period. This percentage could use and gave an idea of the size of a PVB company to its market and its competitors (Investopedia, 2014).

## **2. Objectives of the Study**

The purpose of this study was to identify the influence of cost, free of import duty, quality, after sale service, brand loyalty, buyer-seller relationship, and market share toward purchase intention of the Thai buyers for Chinese PVB film.

## **3. Methodology**

The statistic analysis used demographic characteristics such as gender, work position, age, level income, and work experience. Pearson correlation coefficients and Linear Regression were conducted to understand the structure of the data using computer statistical program.

## **4. Tools and Measurement**

The target population was people working at glass factories in Thailand. The three factories which were the top 10 glass factories in Thailand. The randomly selective stratified sampling was used to select 400 staffs on the four work positions at the factory; boss, managers, purchasers, and QC workers (Yamane, 1967). The reliability of the measurements using Cronbach's Alpha values were 0.707-0.787. The survey conducted within the time frame of the 14 days from January 9 to January 23, 2015.

## **5. Results**

Market share had the highest beta coefficient value of 0.322. After sale service had beta coefficient value of 0.253. Quality had beta coefficient value of 0.181. Buyer-seller relationship had beta coefficient value of 0.115. Therefore, the market share had the most influence toward purchase intention of Thai buyers for Chinese PVB film. Moreover, while market share, after sale service, quality, buyer-seller relationship correlated with purchase intention of Thai buyer for Chinese PVB film, cost, free import duty, and brand loyalty had no relationships with purchase intention.

## **6. Explanations**

When the market share had the highest influence toward purchase intention of Thai buyer for Chinese PVB film, this result was similar to the some of the past literature (Investopedia, 2014). The market share referred to market share of Chinese PVB film in the Thai market as the percentage of PVB market's total sales that was earned by PVB company over a specified time period. This percentage could use and gave an idea of the size of a PVB company

to its market and its competitors (Investopedia, 2014). Also, the results showed the relationships between after sale service, quality, and buyer-seller relationship toward purchase intention of Thai buyer for Chinese PVB film, this was similar to results of the former literature (Chandrupatla, 2014; Islam, 2011; Parasuraman et al., 1988). Cost, product quality, service, and relationship were factors that had significant effect on purchase intention of Thai buyers (Islam, 2011). Parasuraman emphasized on after-sales service as a robust selling tool, that facilitated companies to gain extra purchase intention and potential success to be competitive within the market (Parasuraman et al., 1988). Quality was conformance to requirements, fitness for use, and the degree to which performance met expectations. Quality denoted an excellence in goods and services, especially to the degree which they conformed to requirements and satisfy customers (Chandrupatla, 2014).

## 7. Conclusion and Recommendations

The objectives of the study were to investigate the factors influencing the purchase intention of Thai buyers for Chinese PVB film. The target population of this research was employees at Thai glass factories. The sample size for this study is 400. The seven independent variables of this research were cost of Chinese PVB film, free of import duty of the Chinese PVB film, quality, after sales service, brand loyalty, buyer/seller relationship, and the market share. The dependent variable was purchase intention of Thai buyers for Chinese PVB film in Thailand. Market share, after sale service, quality, and buyer-seller relationship had positive effects respectively toward purchase intention of Thai buyers for Chinese PVB film. Any PVB film business owner could benefit from studying this research in order to have more opportunities for success in Thailand by emphasizing on the market share, after sale service, quality, and buyer-seller relationship when conducting PVB film businesses in Thailand.

## 8. เอกสารอ้างอิง

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