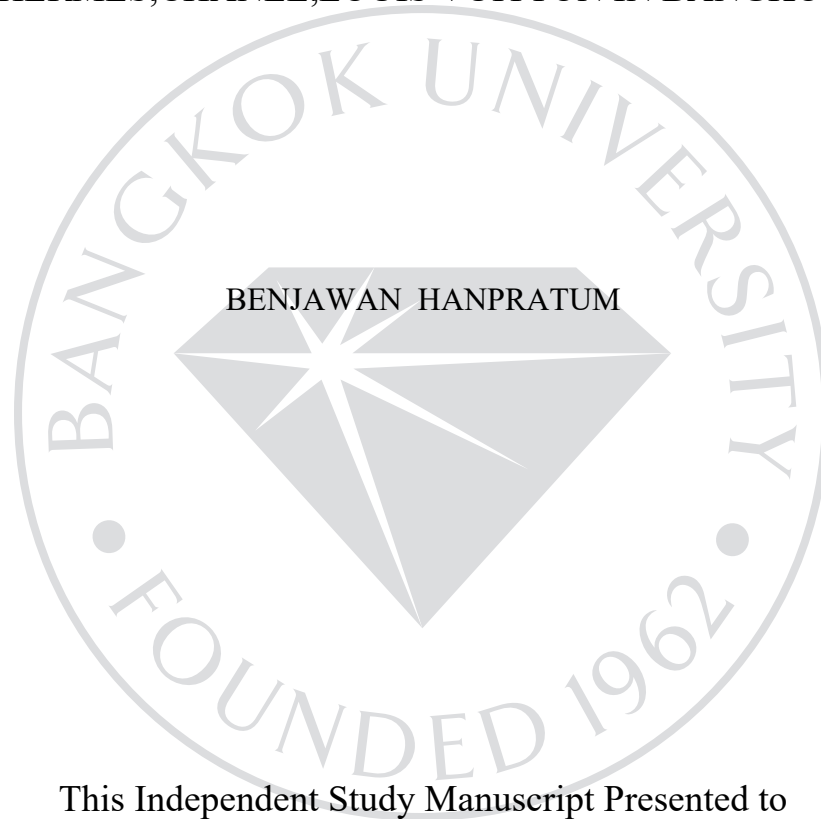


THE STUDY OF FACTORS THAT AFFECT CONSUMER PURCHASE OF
LUXURY BRAND CHOICE PROGRESSING ON
HERMES, CHANEL, LOUIS VUITTON IN BANGKOK



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The Study Of Factors That Affect Consumer Purchase Of Luxury Brand Choice Progressing On Hermes, Chanel, Louis Vuitton In Bangkok (78 p)

Advisor: Sumas Wongsunopparat, Ph.D.

ABSTRACT

The study aims to study the factors influence the decision making process of consumers of luxury brand choice progressing on Hermes, Chanel and Louis Vuitton in Bangkok. Luxury bags are the famous items which are offered by various brands to support the needs of customers. In Thailand, many people today afford the luxury bags following to the influence from the Western values and their famous celebrities. This research therefore has the purposes which are 1) to understand the behavior of these customers when they purchase branded handbags, 2) to explore the factors which affect their purchasing decision on buying branded handbags and 3) to develop the understandings towards these buyer's profile by taking the marketing mix (7Ps) into account of study framework. The research employs the quantitative research method as the research approach to collect data whereby a distribution of questionnaire survey is the research tool. Research Sampling are 400 women aged 30 years old or over completing the paper questionnaires or the online survey via Google Forms. The data is analyzed by using statistical software called IBM Statistical Package for the Social Sciences (IBM SPSS). Multinomial logistic regression method is used to analyze the data. The results of the study show that all factors in Marketing Mix (7Ps) except 'place' are significant factors could significantly impact on the purchasing decision of consumers of the Hermes, Chanel & Louis Vuitton.

Keywords: Brand Preferences, Luxury Products, Brand Name , Chanel, Louis Vuitton, Hermes, Bangkok

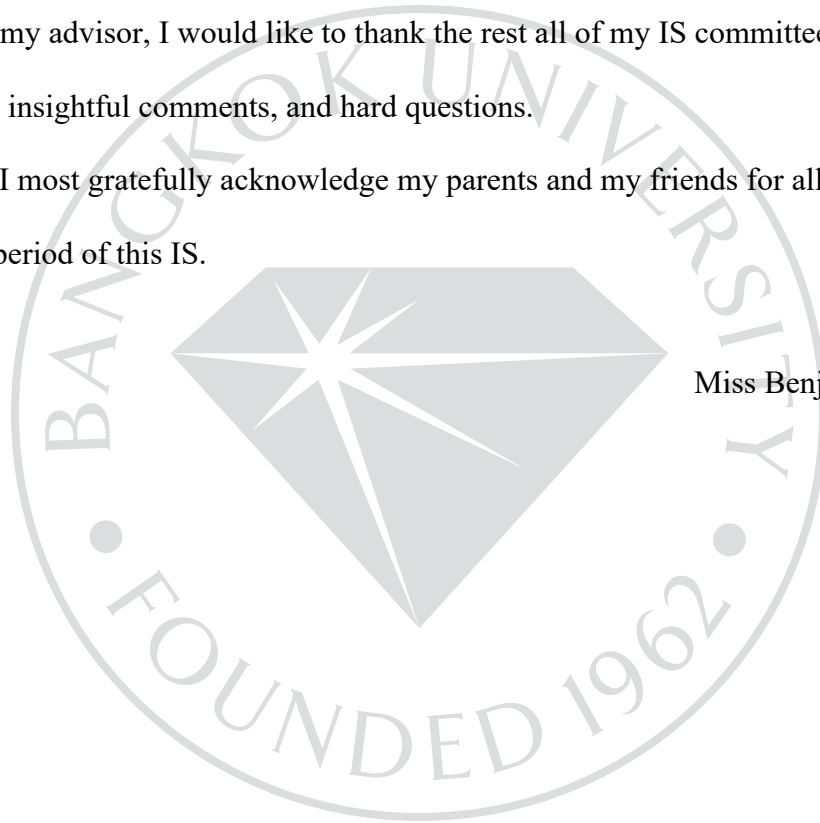
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CHAPTER 1

INTRODUCTION

In the past few decades, there has been a significant revolution that has changed the face of the world's communication technology as a result due to the advances of today's use of information technology or better known as 'IT'. Information technology has made it simple for people to communicate across different countries which had also influenced people's development of ideas as well as their perspectives and their values. Humans have also been able to bring along their traditions and their cultural practices to a different location on a fast and effective manner. New traditional values in many different countries all across the world have had a big influence towards fashion and today's world trends. Globalization had made it possible for us to see how fashion nowadays is constructed on the basis between the mixtures of the Western culture as well as the culture of from the East. These new influences has also played a part in the ways that people make up their minds or decide to purchase any fashion items especially in today's society. People these days focus on the quality of the products but they are specifically interested in products that are branded and accepted under the values that is created by society. These sorts of perception are heavily applied towards fashionable items such as clothing, watches, shoes and bags as these sort of items can signify or point out a person's financial status as well as their values towards the ideas behind modernity. Branded goods are also believed to improve an individual's character by providing them with the acceptance of the society. It also helps to boost up a person's confidence, allowing them to become the center of their friend's attention as branded items can be categorized into 3 main groups which are;

1. International Luxury Items or better known as "Hi-End Brands". These items are particularly those that are well known for its long history including many legend tales about the brand itself but importantly, it is highly accepted and respected with such honor and grace from society, due to the fact that their products carry excellence and quality as it is manufactured or produced under strict care and control and are normally distributed in many countries. For example; Louis Vuitton, Chanel, Hermes, Gucci, Balenciaga, Prada, Bottega Veneta, MiuMiu, Fendi, Dior, Celine, Marc by Marc Jacobs, Loewe, Tod's, YSL, Chloe, Burberry, Givenchy, Dolce & Gabbana and Mulberry etc.

2. Luxury Items that are sold within top-quality shopping malls or better known as “Premium Hi-Street Brands” such as Coach, Armani Exchange, Longchamp, Kate Spade, Juicy Couture etc.

3. Luxury Items that are sold within regular shopping malls or better known as “Hi-Street Brands” such as Kipling, Le SportSac, Charles & Keith, Guess, Jaspal, MNG, Playboy etc.

In Thailand, back in the old days, the majority people whom could afford to buy such goods are coming from the high-class society for example; businessmen and women, however, these values have changed. Nowadays, the group of people whom purchase these products are employees working in the fields of private companies or businesses as they are willing to pay a fortune in order to better themselves in terms of their appearance, their social status and of course, their happiness. Celebrities that are favored and loved by these group of employees are also big influences in their process of purchasing these goods.

As mentioned earlier, these significant changes has intrigued the interest of many researchers to study and analyze the factors that influence the decision making of an individual when they purchase branded products by specifically focusing on the areas based in Bangkok. The purpose of carrying out this research is to study the factors that determine the behavior of these customers and understand their thought process in terms of their values, they can use this information to improve the different aspects relating their business as well as creating new strategies that will better their marketing plan in the future.

In addition, there are a lot of luxury department stores in Bangkok such as Siam Paragon, The EM district, Central World, Gaysorn Plaza, The Erawan Boutique Mall, and more. Those shopping malls are completed with luxurious environment and facilities. Fashion and shopping become a major role in Thai people lifestyle. This can be proved that Thai people are adapted more on Western culture and changed in social perception, and economy. Thai people in the present days are more concerning about their status and got influences by social media. Luxury fashion products are purchase to representing people’s social face, social position and social status reasons. Therefore, the topic “The study of factors that affecting consumer buying preference towards top three luxury fashion brands including Hermes, Chanel, Louis Vuitton in Bangkok, Thailand” is very important and necessary.

Research Questions

1. Which factors influence the decision making process of consumers of luxury brand choice progressing on Hermes, Chanel and Louis Vuitton in Bangkok?
2. What is the motivation of buying decision on luxury brand choice progressing on Hermes, Chanel and Louis Vuitton in Bangkok?

Purpose of the Research

1. To understand the behavior of these customers when they purchase branded handbags.
 - 1.1 Their decision making process that determines their choices in purchasing branded handbags.
 - 1.2 Key factors that encourage these users to purchase branded handbags.
2. To explore the factors which affect their purchasing decision on buying branded handbags.
3. To develop the understandings towards these buyer's profile

3.1 Demographic

- 3.1.1) Age
- 3.1.2) Gender
- 3.1.3) Level of Education
- 3.1.4) Level of Income
- 3.1.5) Overseas Student
- 3.1.6) Marital Status
- 3.1.) Family Size

3.2 Psychographics (Lifestyle , Brand Effect and Buying Behavior)

3.3 Marketing Mix

- 3.3.1) Price
- 3.3.2) Place
- 3.3.3) Product
- 3.3.4) Promotion
- 3.3.5) People

3.3.6) Process

3.3.7) Physical Evidence

Hypothesis

1. Demographic factors affect the decision to buy different bags.
2. Psychographic factors affect the decision to buy different bags.
3. The factors in Marketing Mix (7Ps) affect the decision to buy different bags.

The Significances of the Research

1. The behavior of these customers in terms of their decision making towards purchasing branded products based on the areas in Bangkok.
2. The steps towards their decision making process.
3. The impact of factors on the customer's decision to purchase branded items.
4. Their acknowledgement and their perspectives towards buying these products.
5. Personal aspects towards these customer's decision to purchase branded items.
6. Psychological aspects in terms of personal characters and lifestyles that determine their decision making process.

The Scope of the Research

The decision making process of these branded handbags that are purchased by its loyal buyers particularly in Bangkok, are related and associated to many various factors which influence their actions such as the behavior of these customers towards buying these products, the brand effects and the marketing mix (7Ps) as well as the buyer's profiles.

The Scope of the Demographics, the Samples and the Location

Our focus group for this research emphasizes mainly towards 400 women in their working stage that purchases branded handbags in areas of Bangkok. As for our sample groups, we will be targeting women that are 30 and onwards due to the fact that these women are capable of buying branded handbags because they have a stable job which increases their potency of buying as well

as having an interest or a passion towards owning a branded handbag. However, we can't identify the exact figures of our sample group, therefore the researchers have decided to follow the methods of a Probability Sampling technique (W.G. Cochran, 1935) by specifying the levels of their belief values at 95 percent and the levels of their variability at 5 percent (KanlayaVanichbuncha,2549:75).

The formula that we will be using in order to calculate in the case is

$$n = \frac{P(1-P)Z^2}{E^2}$$

E²

As 'n' represents the size of the sample, whereas 'P' represents the portion of the population that we are sampling at 0.50. 'Z' in the case, has an equivalent of 1.96 at the level of the belief values at 95 percent (at level .05), whereas 'E' represents the levels of any mistakes at its high point which = .05 as well. Also as a substitute of

$$n = \frac{(.50)(1-0.50)(1.96)^2}{(0.05)^2}$$

$$(0.05)^2$$

$$n = 384.16$$

Which results in the sampling groups of approximately about 385 candidates, whereas for this research, the researchers will determine the size of the group at 400 candidates.

The Designs and the Instruments of the Research

The Variables of the Research

The researchers were able to define the variables that are used in the study as following;

- The independent variables
- The behavior of these buying habits
- The key factors that encourages users to buy branded items
- The buyer's profile
- The dependent variables

- The process of their decision making development

The Sampling Plan and How to Collect Data

The tools that we will be using for this research are questionnaires as we will be dividing the structure of our questions into 2 parts

Part 1–Buying Decision on Brand Choice

This part focus on the factors which affect to the buying decision of the respondents by the question asking the brand of their choice, then the likert scale questions are developed to ask the respondents to rate the level of effect and agreement of each factor and statement, respectively.

Part 2–General Information

This part will evolve around questions the demographic factors of the respondents which include their gender, level of income, level of education , age, family size and marital status.

The criteria for Likert Scale in Part 1 (Buying Decision on Brand Choice) are as following;

Most Effect	which has a score equivalent to	5 points
More Effect	which has a score equivalent to	4 points
Moderate Effect	which has a score equivalent to	3 points
Low Effect	which has a score equivalent to	2 points
Very Low Effect	which has a score equivalent to	1 point

In order to find the width of the class interval we will use the formula as following (Vichit U-on, 2553)

Class Interval = $\frac{\text{Range}}{\text{The numbers of levels}}$ = $\frac{\text{Highest points} - \text{Lowest points}}{\text{The numbers of levels}}$

$$= \frac{5-1}{5} = 0.8$$

Finding the means behind the average score in order to arrange these score as shown in the following ;

The explaining the means behind the average score

4.21-5.00 Most Effect

3.41-4.20 More Effect

2.61-3.40 Moderate Effect

1.81-2.60 Low Effect

1.00-1.80 Very Low Effect

Data Analysis

Our methods for analyzing the decision making process towards branded bags are as following;

1. The method of a Descriptive Statistic such as Percentages, the Means and the Standard Deviation.
2. The method of an Inferential Statistic such as the analysis of hypothesis as divided into 2 parts which are;
 - 2.1 The hypothesis of 1, 2 up until 3 will be carried out by using the method of the multiple logistic regression in order to find out the relationship between the Independent Variables and the Dependent Variables.

The Benefits of the Research

1. To acknowledge ourselves about the behavior that triggers buyers to purchase branded handbags.

- 1.1 To inform ourselves about the process of their decision making which leads them to purchase branded handbags.
- 1.2 To inform ourselves about the important or key factors that contributes towards these buyer's influences when they purchase a branded handbag.
- 1.3 The real reasons why these buyers purchase branded handbags.
2. To better our understandings about the buyer's acknowledgement and perspectives towards deciding to purchase a branded handbag.
3. To better our understandings about the buyer's personal motives as to why they purchase branded handbags.

The Definitions of terms

A handbag is a bag that is held in the hand or hung from a shoulder strap which is used for carrying any small personal articles or money. Branded handbags are bags that are structured based on the works of a world class designer which strives towards top quality by using the best materials and producing them with special extra care and control, which results in promoting people's tastes and preferences and are priced at a reasonable range.

The decision making process of these buyers are an illustration of a customer's journey before purchasing such goods. Not only is it important to fully understand a buyer's procurement process especially for a sales person, it could also possibly improve a new plan towards the concept of an Aligning Strategy and Sales.

CHAPTER 2

LITERATURE REVIEW

2.1 Why people consume luxury products

According to the research done by Pham and Nasir (2016) on luxury products, they have founded that there are five major reasons why people purchase luxury fashion brands. Firstly, people seek to reach to the top position of the society's hierarchical level. Secondly, since the usage of luxury products helps to signify a person's status, these items are related to both the aspects of a psychological value, as well as a sense of belonging. People who belong to a middle/low class society, would attempt to place and elevate themselves to a higher social status through the purchasing of luxury goods. Thirdly, luxury products help to maintain an owner's identity and self-image. Fourthly, luxury brand may also be purchased in many occasions, such as, self-reward or stress-relief. Lastly, people purchase luxury brand because of their trust in its quality, reliability, and durability.

2.2 Psychological factors that influenced consumer's behavior on the consumption goods and services

A consumer's behavior towards the consumption of goods and services, are influenced by such social, cultural, personal and psychological factors that satisfies a consumer's needs. First of all, Cultural factors are deeply relevant towards culture, subculture and social class. Culture is a part of every society and it is an important cause of the changes between each individual's behaviors which influenced people's values within the society, which can be defined through wealth, occupation and education etc. Secondly, social factors impacting consumer behavior are reference groups, family, roles and statuses. Thirdly, Personal factors affecting consumer's behaviors are age, occupation, economical situations, lifestyles and personalities. Lastly, Psychological aspects highly influence an individual's behaviors towards consumption. There are four main factors; perception, motivation, learning, beliefs and attitudes.

2.3 What is a brand?

According to Aaker (2014), a brand does not only represent the functional benefits or a name, but it demonstrates a person's emotions and personality. In today's society, one may need to distinguish themselves from another, therefore, they look for objects that will represent who they are as an individual. Consumers tend to choose brands that they perceive as a match towards their self-image and life style (Cătălin&Andreea, 2014). When in need of self-demonstration, consumers will choose brands based on their lifestyle, backgrounds and past experiences. Brands are used to develop a consumer's concept towards 'self' as well as a representation of their identity (Fournier, 1998). What brands are normally preferred? When choosing a brand, consumers may also consider the brand by its personal identity (Intrinsic factor) and social identity (Extrinsic factor) (Berger & Chip, 2007). The intrinsic factors consist of means on self-expressions, needs, and choices & experiences. The extrinsic factors are a set of beliefs on current trends, one's ideal identity, and social acceptances. With the criteria above, consumers choose brands that represent themselves. Lifestyles also play an important role in brand choosing. Different individual's lifestyles reflect different values, life visions, and goals in life (Vyncke, 2002), therefore; lifestyles can be used to explain one's self, from their personal identity to their social identity. Brands must represent a positive image towards one's lifestyle and self (Aanand&Shacar, 2004) and the ability to distinguish self for users. Consumers use brands to demonstrate the concept of self to society, by adopting a sense of belonging, hence, their chosen brands must be able to deliver "Perceptual anchoring" or values that others can relate to (Aanand&Shacar, 2004), for example, people purchase Patek Philippe watches not only to tell time, but rather to show others that he or she can afford it. The concept of brands can be described into two orientations, which are Function-oriented and Prestige-oriented (Liu, 2002). Function-oriented refers to performance based products, while Prestige-oriented refers to status based products (Acharya& Gupta, 2016).

2.4 Luxury leather product markets in Thailand

According to Euromonitor International, luxury products can be categorized into eight groups: (1) Designer apparel and footwear, (2) Luxury accessories, jewelry and time pieces, (3) Luxury leather goods, (4) Fine wines and champagne, (5) Super premium beauty and personal care, (6) Luxury travel goods, (7) Luxury writing instruments and stationeries, and (8) Luxury

electronic gadgets. Branded bags falls into the category of “Luxury leather goods” with a market growth of 10% in 2016 (Euromonitor, 2016). The sales tendencies in Thailand of this category has been increasing continuously from 11 billion baht in 2014 to 12.2 billion baht in 2015 and 13.4 billion baht in 2016, where luxury bags remain as an item that is favored by most men and women. The sales values for women’s bag and men’s bag in 2016 were 6.4 million baht and 3.9 million baht respectively. In 2016 competition landscape, Louis Vuitton and Prada owned the lead in the market, nevertheless, new retail developments such as the EM district, Central Embassy, and the renovation of Gaysorn Plaza has opened doors for new comer brands, such as, ProenzaSchouler, 3.1 Phillip Lim, or MCM. Since Thailand has entered the AEC (ASEAN Economic Community) in 2015, Thai government has issued and adjusted many policies and regulations to support the trade, including a 30% import tax and duty, in which this amendment has brought down a retail price of imported luxury products (Department of International Trade Promotion, 2017). In the future, the market is expected to grow by 6% to reach 17.9 million baht in 2021 with a constant consumption towards high priced luxury leather products from consumers.

2.5 Theory of Customer Behavior

Kotler (2003) discussed about customer behavior as the crucial part of the study in marketing. According to his marketing principle, he stated that the understanding of consumer’s behavior was the heart of marketing because the consumers were the target groups of the business and thus marketing must be well-aware of their acknowledgement on their target groups.

Kotler (2003) further discussed that the marketers should make learn of the way the consumers buy the products or services as well as the selection criteria of them towards the organization and products including their perception and attitude towards the specific marketing strategies ideas. The successful marketers were the ones who could completely met the maximum satisfaction of the target consumers and fulfill their needs and wants. Bitner (2010) noted that the consumer behavior referred to the activities, of which consumers undertook when they consumed, made use and disposed of the products and services. However, to fulfill the needs of consumers, the marketers must know first whether what were the needs to be fulfilled and what tactics should be adopted in order to fulfill the needs.

Kumar et al. (2006) suggested that the ones who needed to fulfill the needs of customers must try to check the possibility of the purchase decision made by customers on the specific products or services in the specific time. Meanwhile, the marketer should extend the options to complete the needs by observing further alternatives which could create satisfaction of them towards the specific products or services. If the marketers could make sure about the specific products and time of which consumers would make the purchase of such products or services, they tended to meet the maximum satisfaction of customers easily as the products were served to them at the right time (Kotler & Armstrong, 2008). To discuss more, the understanding towards the consumer behavior was various. The marketers defined their definition and scope of consumer's behavior in several ways.

For example, Schiffman and Kanuk (2004) defined that the consumer behavior was a set of the behavior which people commonly presented when they were searching for, purchasing, obtaining, judging and disposing of the specific products and services as they expected their purchase to complete the needs and exceed their expectations if possible. He also believed that in the context of the consumer's behavior, the decision making process of customers included since their initial attitude, their lifestyles, the way they spent their money, until their last decision of their purchase on the consumption of products or services. Therefore, it could be said that consumer behavior had a wide scope and was associated with the buying habits of people who were targeted to be the customers of the products and services. Shepherd and Dennison (1996) discussed that the consumer behavior was the habits of the individual which could be shaped by various factors. Clark and Fletcher (2003) referred that the consumer behavior could be shaped by relevant factors which were noticeably separated into two major factors as the internal and external factors.

The examples of the internal factors could be the knowledge, attitudes, perception including psychographics e.g. motivation and beliefs. Kotler (2003) noted that the internal factors could be motivated by some behaviors of individual which were such as how they processed information including their personal lifestyle, life cycle and characteristics. Soriano (2002) stated that the internal factors were normally driven by various variables such as the demographic factors of the individual e.g. age, nationality and income level. Therefore, in order to fulfill the needs of consumers right, what the marketers needed to do was to examine the internal factors of the target groups and make learn of their needs based on the internal factors.

Bitner (2010) also claimed that the internal factors had the great influence on the acknowledgement of customer directly. Thus, the demographic structure markets could not fully explain the consumers, the marketers needed to explore the beliefs, lifestyles and attitude of them along with.

For the external factors, it included the family size, culture, social status including the personal influences. Kotler (2003) stated that the social status of a person, including the cultural and other social factors had impact on the buying decision of consumers. Jobber (2004) noted that external factors such as personal or group references could also results in the consumer's behavior. Meanwhile Brassington and Pettitt (2003) claimed that the external factors were relevant for the study of consumer behavior and to explore the motivation of customers to make their purchasing decision on specific products or services. The term culture in field of external factors referred to the beliefs, attitudes, ideas, and other symbolic forms of expression which embedded in the individuals and could communicate, interpret and evaluate such individuals as the member of society (Brassington&Pettitt, 2003; Kotler & Armstrong, 2008).

Barak (2001) stated that external factors such as the norms and values had a great impact on the consumer's behavior. The reference groups which could be the popular persons e.g. the actors, singers, celebrities or socially-accepted persons in organizations or company could also influenced the buying behavior of people as they were used to promote the specific products.

However, the most important reference persons or group was the family members which could be separated into two aspects. First one was the family of orientation which included one's parents which meant that the ones gained the acknowledgement of economic, political, cultural ethnic patterns and behavior from their parents. Second aspect was the family of procreation which included one's spouse and children. Kotler (2003) and Bitner (2010) also mentioned the significance of family. They both stated that the family was the most important organization of society as they were closely associated to the one and thus affect the buying behavior of individuals directly.

2.6 Maslow's hierarchy of needs model (Kotler& Keller, 2012)

This is a model of self-actualization; its concept are aimed to explain an individual's growth towards the fulfillments of the highest needs which offers an individual's means of life. Maslow's hierarchy of needs demonstrates the linear of growth that is illustrated in a triangular shape. The model was divided into five stages as following; firstly, the physiological needs

which are the basic needs i.e. water, food and sleeping etc. Secondly, the safety needs that covers that deals with safeness. Thirdly, the sense of belonging and love, such as friends or intimate relationships. Fourthly, the Esteem needs, such as self-respect and positive feelings from admiration etc. Lastly, the Self-actualization, which is the realization of personal potential, self-fulfillment and personal growth. These five stages can be grouped by 3 ladders of needs; basic needs, Psychological needs and Self-fulfillment needs.

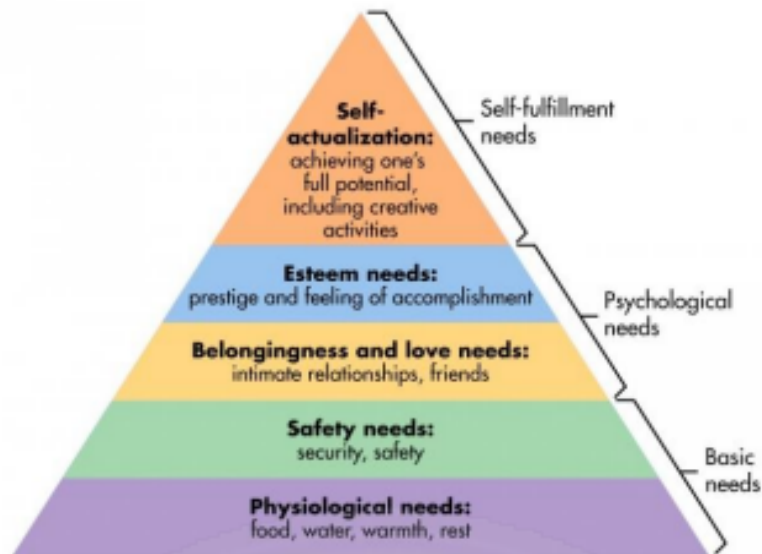


Figure 1: Maslow's hierarchy of needs model

2.7 Decision making process (Kotler and Keller, 2012)

This process contains five stages that can be used to understand the decision making process of a consumer when they identify problems, when they seek for a solution or when they make a post-evaluation of their choice. (Kotler and Keller, 2012). The first stage is "Problem recognition", in which consumers can recognize what problems that they are facing by both internal factors and external factors. The next stage is the process of searching for information, consumers will look for reviews towards a set of choices. The examples of these sources are personal, commercial, public, and experiential. In addition, today's context of Marketing 4.0, the "F-Factors", which are Friends, Family, Facebook Fan, and Twitter follower, has played an important role in providing insightful and reliable information to consumers (Kotler, Kartajaya, and Setiawan, 2017). The third stage is "Evaluation of alternatives", where consumers gather

information and compare them with personal criteria, beliefs and different product attributes, including the analysis through expectancy value model (weighted-attribute calculation). The fourth stage is “Purchase decision”, where consumers evaluate all the alternatives together with perceived risks of functional risks, physical risks, financial risks, social risks, psychological risks, and time risks in order to develop their decision. After purchasing, consumers will move to the fifth stage in their decision making process, which is “Post purchase behavior”. In this stage, consumers may evaluate their satisfaction towards the choices of products/services that they chose and determine their post purchase actions, such as, tell friends, continue purchasing, or stop purchasing.

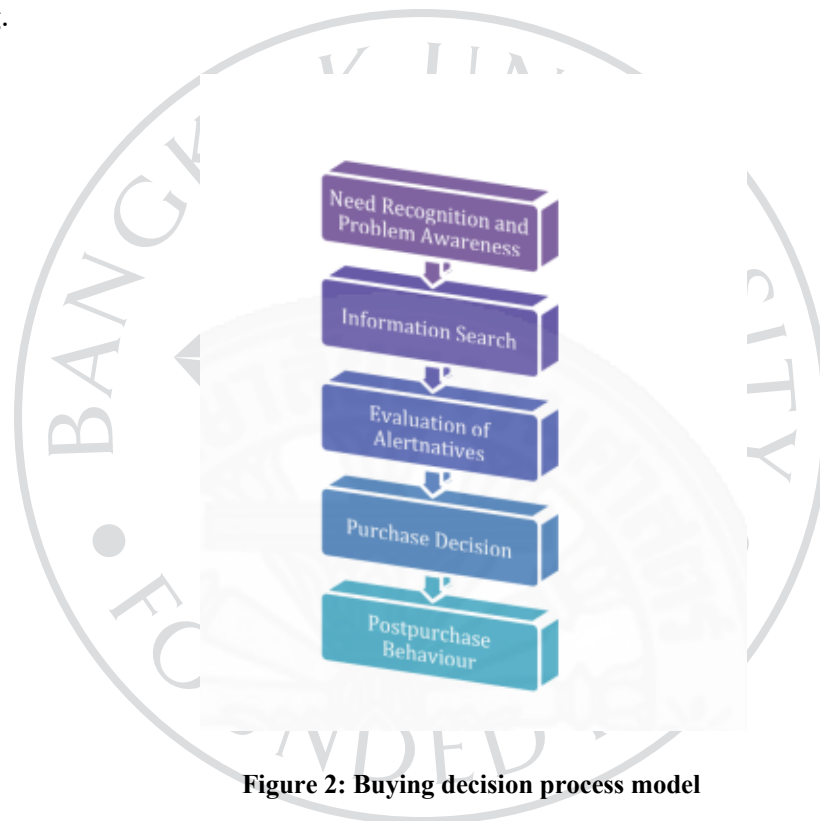


Figure 2: Buying decision process model

2.8 Marketing Mix

The marketing mix comprises of four main pieces that creates the picture of a successful business. Price, place, promotion and product, known as the "4 Ps," makes the foundation of what your company is about. After all, selling the right product at the right price is how business gets done. (Thomas Ferraioli,1993)

Product

The product, or the service, that a consumer is purchasing goes beyond the obvious. To truly market the product correctly, you need to consider what needs are being met by the consumers. If we are talking about a beverage, is it simply to satisfy thirst? Or, is the consumer looking for a particular health benefit? There are many ways to look at the same product or service. Put yourself in the shoes of your consumers to understand the best way to communicate the benefits of your product. (Thomas Ferraioli, 1993)

Price

Pricing your product has a lot to do with how it will sell. Priced too high you risk your consumers not seeing any value; priced too low, you risk the consumers losing confidence in your product; as being cheap. Different strategies goes into finding the right price for your product, beyond simply taking the cost and adding a percentage for profit. If consumers value your product more than your competitors, you can raise your price. (Thomas Ferraioli, 1993)

Place

While place is a geographic designation, for the purposes of marketing, it also refers to how the product or service, is brought to the consumers. Does your company deliver the product directly, or is it on shelf in a store? If so, does it get to the store via your delivery crew or do you rely on a wholesaler? The channels you use to get the product or service to the consumers add to or lessen the final cost. (Thomas Ferraioli, 1993)

Promotion

Promotion has everything to do with telling your customers about your product. Do not confuse promotion with marketing; promotion is just one part of the marketing equation. Promotion has many facets to consider, such as the formats of the message: television, print or online. Of course, the message you send to the consumers is important: beverages are enjoyed all over the country. A hot beverage is an easier sell during the winter or in a cool climate. Selling a hot beverage in warm climate brings a different challenge and a different kind of promotion. (Thomas Ferraioli, 1993)

People

People are the employees within the organization or who worked for business. The roles of staff have been greatly focused in the service business. Therefore, people could refer to not only customer interface employees but also the non customer interface employees. Ivy and Naude(2004) claimed that people was not important in the marketing mix. Nevertheless, Brassingtonand Pettitt (2003) countered their idea that people of the organization was one of the most significant part of the marketing mix especially in the service business because they were the ones who had to provide such services to customer. Thus, the people must be trained to be professionals in order to create the impression for the consumers who expected to perceived good experience from receiving the service. Moreover, people also present as the first impression of the customers towards many businesses which dominantly used staff to take care of customers. In hospitality industry, the training of hotel employees was the core practice as it could lead to either positive or negative perception of customers based on the level of their satisfaction on the service taken by staff. Quality of service was the must which every business in service industry had promised for and actions of staff to the customers including willing to give services and friendliness were nurtured among staff (Jobber, 2004)

Process

Process in marketing mix is a set of process which is committed by the organization. Akroush (2006) believed that the process has the impact on how buying behavior of customers. The process includes such as the training process where all staff must take, the time of shop open and close, the process of the organization in protecting customers and so on. The process can also mean the procedure of the organization in dealing with various problems within the business environment. Therefore, the good process of organization could imply that the organization has the good management and the system which is practically providing ability to manipulate things. Kotler (2003) discussed about the service process that it required the management skills of the organization in creating the plan as well as providing training program for people within the organization and also the process can also be associated with the way such businesses have to maintain the and quality of service.

Physical Evidence

The physical evidence is any form of elements which can be seen or felt by the customers, thus it can refer to environment of the place or the sense of friendliness which is found in the shops as well (Akroush, 2006). Most organizations fail to include physical evidence into their marketing mix, however this element is another important one which could make customers positively impressed due to their affection towards the features and tangibility (Bitner, 2010). Kotler (2003) stated that physical evidence created the benefit to business as many customers have their preference to the tangibility of physical elements in the business environment. Some features such as the decorations, design and furniture e.g. ceilings, wallpaper including the spacious area within place are also affected to the customer experience.

Benefit of Marketing Mix

Your business does not operate in a vacuum. It relies on the wants and needs of consumers. Therefore, by taking into account the components of the marketing mix, you will know when and how to promote your products and services. For instance, a cleaning company will want to promote its service at a strong price point before major holidays when demand is higher. Similarly, when the timing or place is different, the same cleaning business would can see an increase of business by offering a low price incentive. (Thomas Ferraioli,1993)

2.9 Brand Equity Theory

In late 1980s, brand equity was become an important idea (Aaker, 2016). Brand equity identify as the assets and liabilities linked to the brand, in terms of name and symbols that added the value to the product. Companies create brand equity on their products by making them memorable, recognizable, high quality, and reliable (Investopedia).

2.10 Consumer Behavior

Consumer Behavior is defined as the individual tastes, which measured by utility. Behavior is not about prices or financial; each of individual has a set of preferences and values based on their background, culture, education and other factors (Blanchflower & Oswald, 2000). An ability to purchase cannot used to measure people like or dislike. For example, one can have a Behavior

using Louis Vuitton over H&M, but in the reality his or her financial means to use only H&M. Behavior are about consumer satisfaction derives from products or services, which are the main factors that influence customer demand. Marketers study consumer preference to understand and perceive the demand for each goods and used to predict the future marketing strategy.

Related Research

Atthasak, N (2016). Factors Influencing Buyer's Decisions towards Women's Brand Name Footwear and Bags via online Shopping. This research focusses on factors that influences buyers to purchase women's branded footwear and bags via online shopping, as well as the relationship between personal factors and other factors influencing the buyer's decisions. This research is a quantitative research conducted by using Purposive Sampling. The results showed that the sample group's opinions towards factors on marketing mix, 7Ps, products, price, process, promotion, personnel, premises, and physical factors were at a high level. In terms of products, it deals with the quality and its durability, the modernity of the products, the brand's reputation and the benefits for gifting on special occasions. For the prices, it deals with how to arrange an appropriate pricing range, as well as the clarity of it. For the premises, it looks at reliable webpages and stores, convenient buying channels, modern buying channels (e.g., internet), and other various buying channels. For the promotion, it looks at the after-sale services, the consecutive promotions, the returning policy, and the sales promotions. For the personnel, it looks at the attitudes towards providing these services, suggestions and consulting, as well as having good manners towards customers. For the servicing process, it deals with the reliable sale process, the satisfaction towards all sale procedures, reliable payment process and rapid payment process. For the creation and the presentation of physical characteristics, it looks at the security system, the variety of branches for receiving services, and modern decoration.

SuvitraJakkaew (2015). Marketing Mix Factors Affecting Generation Y Consumers in Mueang Chiang Mai District Towards Buying Used Luxury Branded Bags. This independent study is aim to look at the marketing mix factors affecting generation Y consumers in Mueang Chiang Mai district towards buyers using pre-loved luxury branded bags. The sample size for this survey was conducted through 300 candidates. The majority of the respondents were females aging from 26 – 28 years old, they were either married or single and lived in the City of Chiang Mai. Most of these respondents are business owners with an income between 20,001 and

30,000 Baht per month. The main reason why they use pre-loved bags, is the fact that its pricing has drop down to at least 50 to 70 percent. The results reveals that the four marketing mix factors, had its scores highly at ‘the most important’ levels. These include promotional factors, pricing factors, product factors and place factors respectively. In terms of the product, buyers tend to lean towards factors dealing with the quality of the product as well as its designs. For its pricing factors, buyers look for a certain pricing range that is acceptable as well as prices that are cheaper than other stores.

DhitiyaBoonsinsukh (2011). Determinants of Korean consumer’s behavior in purchasing luxury brand name products. The objective of this study is to identify the important factors that lead Koreans to purchase branded products. This study also suggests the strategies in the development of campaigns promoting the sales of luxury branded products. The data was collected from 359 Koreans, aged between 20-30 years old in Sin-Chon neighborhood, Seoul, South Korea, during March – April, 2012. Out of 400 questionnaires that have been distributed to the respondents, 359 questionnaires (89.75%) were received. Descriptive statistic is used in this study.

The results show that most of the respondents are female, age 18-20 years old. Handbags are proven to be the most popular item whereas the most popular brand is MCM, a German brand that has been rebirth by Koreans. The results illustrated that the majority of Korean purchase branded goods due to the concept of self-identity value, followed by quality value and usability value. In the past, many Koreans purchase branded products just simply to show-off their wealth whereas nowadays they do it just to fit into the society. The best strategy to promote branded items towards the younger Koreans is to use well known k-pop stars. The stars representing these bags are versatile when it comes to their characters because they need to portray different personalities that matches different customers. Companies should go into details when it comes to selecting the right stars that can relate towards different age groups, income levels and gender.

Autcha Sudhankitara (2011) Consumer’s perception and attitude towards information source and information seeking and buying behavior of luxury bags online.

The purpose of the research was to study: (1) consumer’s perception and attitude towards information source and luxury bag buying behavior via the internet, (2) how consumers seek for

information on luxury bags via the internet (3) consumer's buying behavior via the internet and (4) correlation between attitudes towards information sources. Online survey questionnaires were used to collect data from 400 males and females, aged 18-55 years old who looked up for information about luxury bags via the internet.

The findings showed that: (1) Consumers with different genders and incomes look up for different kinds of information about luxury bags via the internet (2) Consumers with different ages and incomes look up for different kinds of information about luxury bags via the internet (3) Consumers with different demographics are not significantly different in their buying behavior via the internet (5) Attitude towards information source is correlated with consumers buying behavior of luxury bag via the internet.

Factors influencing university students in Bangkok to purchase branded handbags.

This qualitative research was conducted to find out different factors that were influencing university students in Bangkok to purchase branded handbags. The sample size consisted of 400 participants of universities student in Bangkok. The research instrument was a questionnaire, and the data was analyzed by descriptive statistics including frequency, percentages, means and standard deviations.

The result shows that the majority are female, ages between 20-25 years old. Mostly single and graduated with a bachelor degree, with an income between 5,500-6,000 baht and 10,000 baht per month. These university students tend to go shopping malls while on the search for luxury goods. One main influence that affects these students to purchase luxury products is the fact that these items have good designs that are modern.

Conclusion

After analyzing all of our findings and researches, we have come to terms with the fact that the process of these buying decisions that occur in Bangkok deals with many different influential factors that causes such temptations. The researcher is fascinated and deeply interested in this specific issue, and they are willing to use the marketing strategies of Kotler P. (1997) in order to carry out their research.

Topic	Author and Published Year	Independent / Dependent Variable	Methodology	Result
Factors Influencing Buyer's Decisions towards Women's Brand Name Footwear and Bags via online Shopping.	Atthasak, N (2016)	<p>Independent factors</p> <ul style="list-style-type: none"> - Demographic factors – age, education level, income level and occupation - Marketing Mix (7Ps) – products, price, process, promotion, personnel, premises, and physical factors <p>Dependent factors</p> <ul style="list-style-type: none"> - Buyer's Purchasing Decision towards brand name footwear and bags via online shopping 	<p>Data Collect Method :</p> <p>Survey Questionnaire</p> <p>Data Analysis :</p> <p><i>Descriptive Statistics</i></p> <ul style="list-style-type: none"> - Frequency - Percentage - Mean - Standard Deviation <p><i>Inferential statistics</i></p> <ul style="list-style-type: none"> - Multiple Regression Analysis 	<p>Demographic factors had influence on Buying Decision towards Women's Brand Name Footwear and Bags via online Shopping. Meanwhile, price, promotion and physical had a strong relationship with the buying behavior of fashion brands</p> <p>Significance alpha=0.05</p> <ul style="list-style-type: none"> -Product -Promotion -People -Process -Physical Evidence
Marketing Mix Factors Affecting Generation Y Consumers in Mueang Chiang Mai District Towards Buying Used Luxury Branded Bags.	Jakkaew, S. (2015)	<p>Independent factors</p> <ul style="list-style-type: none"> - Marketing Mix (4Ps) - price, place, product, promotion <p>Dependent factors</p> <ul style="list-style-type: none"> - Buying Decision towards luxury brand bags 	<p>Data Collect Method :</p> <p>Survey Questionnaire</p> <p>Data Analysis :</p> <p><i>Descriptive Statistics</i></p> <ul style="list-style-type: none"> - Frequency - Percentage - Mean - Standard Deviation <p><i>Inferential statistics</i></p> <ul style="list-style-type: none"> - Correlation 	<p>Marketing Mix Factors affected the Generation Y Consumers in Mueang Chiang Mai District Towards Buying Used Luxury Branded Bags at high level. Among four factors, promotion had the most impact on decision-making followed by the price</p> <p>Significance alpha=0.05</p> <ul style="list-style-type: none"> - price, place, product, promotion
Determinants of Korean consumer's behavior in purchasing	Boonsinsukh, D. (2011)	<p>Independent factors</p> <ul style="list-style-type: none"> - Demographic factors - age groups, income levels and 	<p>Data Collect Method :</p> <p>Survey Questionnaire</p>	<p>Demographic factors such as age groups, income levels and gender affected purchasing luxury brand products. The results illustrated that the</p>

luxury brand name products		<p>gender</p> <ul style="list-style-type: none"> - Luxury value - financial dimension, individual dimension and social dimension <p>Dependent factors</p> <ul style="list-style-type: none"> - Buying Decision towards brand name of Korean 	<p>Data Analysis :</p> <p><i>Descriptive Statistics</i></p> <ul style="list-style-type: none"> - Frequency - Percentage - Mean - Standard Deviation <p><i>Inferential statistics</i></p> <ul style="list-style-type: none"> - Multiple Regression Analysis 	<p>majority of Korean purchase branded goods due to the concept of self-identity value, followed by quality value and usability value.</p> <p>Significance alpha=0.05</p> <ul style="list-style-type: none"> -Age, Income levels and Gender - financial dimension - individual dimension and social dimension
Consumer's perception and attitude towards information source and information seeking and buying behavior of luxury bags online	Sudhankitara, A. (2011)	<p>Independent factors</p> <p>Demographic Factor</p> <ul style="list-style-type: none"> - age, gender, education level and income level <p>Dependent factors</p> <ul style="list-style-type: none"> - Buying behavior of luxury bags online 	<p>Data Collect Method :</p> <p>Survey Questionnaire</p> <p>Data Analysis :</p> <p><i>Descriptive Statistics</i></p> <ul style="list-style-type: none"> - Frequency - Percentage - Mean - Standard Deviation <p><i>Inferential statistics</i></p> <ul style="list-style-type: none"> - Multiple Regression Analysis 	<p>Consumers with different genders and incomes look up for different kinds of information about luxury bags via the internet. Consumers with different ages and incomes look up for different kinds of information about luxury bags via the internet. Also, the consumers with different demographics are not significantly different in their buying behavior via the internet</p> <p>Significance alpha=0.05</p> <ul style="list-style-type: none"> - age, gender, education level and income level
Factors of Social Value and Marketing Mix Affecting	Kamol. S. (2014)	<p>Independent factors</p> <p>Demographic Factor</p> <ul style="list-style-type: none"> -age,gender, relationship 	<p>Data Collect Method :</p> <p>By Combining Qualitative research and</p>	<p>Demographic factors influenced the students' decision to purchase luxury products where majority as female, ages between 20-25 years old, single and</p>

<p>Choosing Decision Making of Brand Name Handbag Towards Working In Bangkok Metropolitan Area</p>		<p>status,education level and income level -Purchasing Behavior</p> <p>Dependent factors - Buying decision towards the luxury products</p>	<p>Quantitative research.</p> <p><u>Data Analysis :</u></p> <p><i>Descriptive Statistics</i></p> <ul style="list-style-type: none"> - Frequency - Percentage - Mean - Standard Deviation <p><i>Inferential statistics</i></p> <ul style="list-style-type: none"> -Chi-Square 	<p>graduated with a bachelor degree, with an income between 5,500-6,000 baht and 10,000 baht per month tended to go shopping malls while on the search for luxury goods.</p> <p>Significance alpha=0.05</p> <ul style="list-style-type: none"> - Age,Status,EducationLevel,Occupation -Purchasing Behavior
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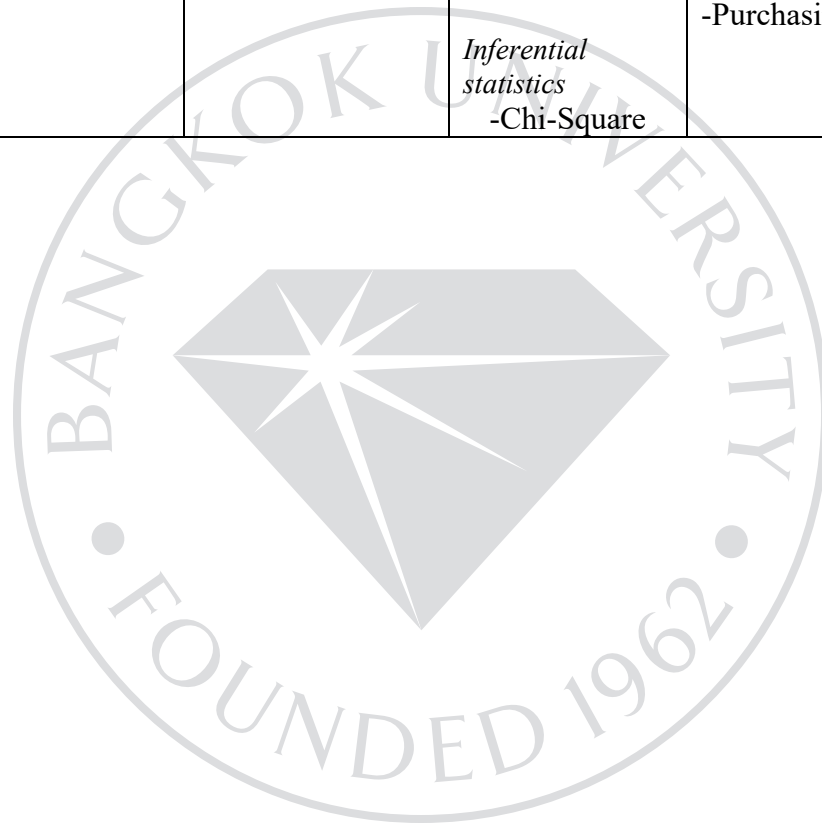
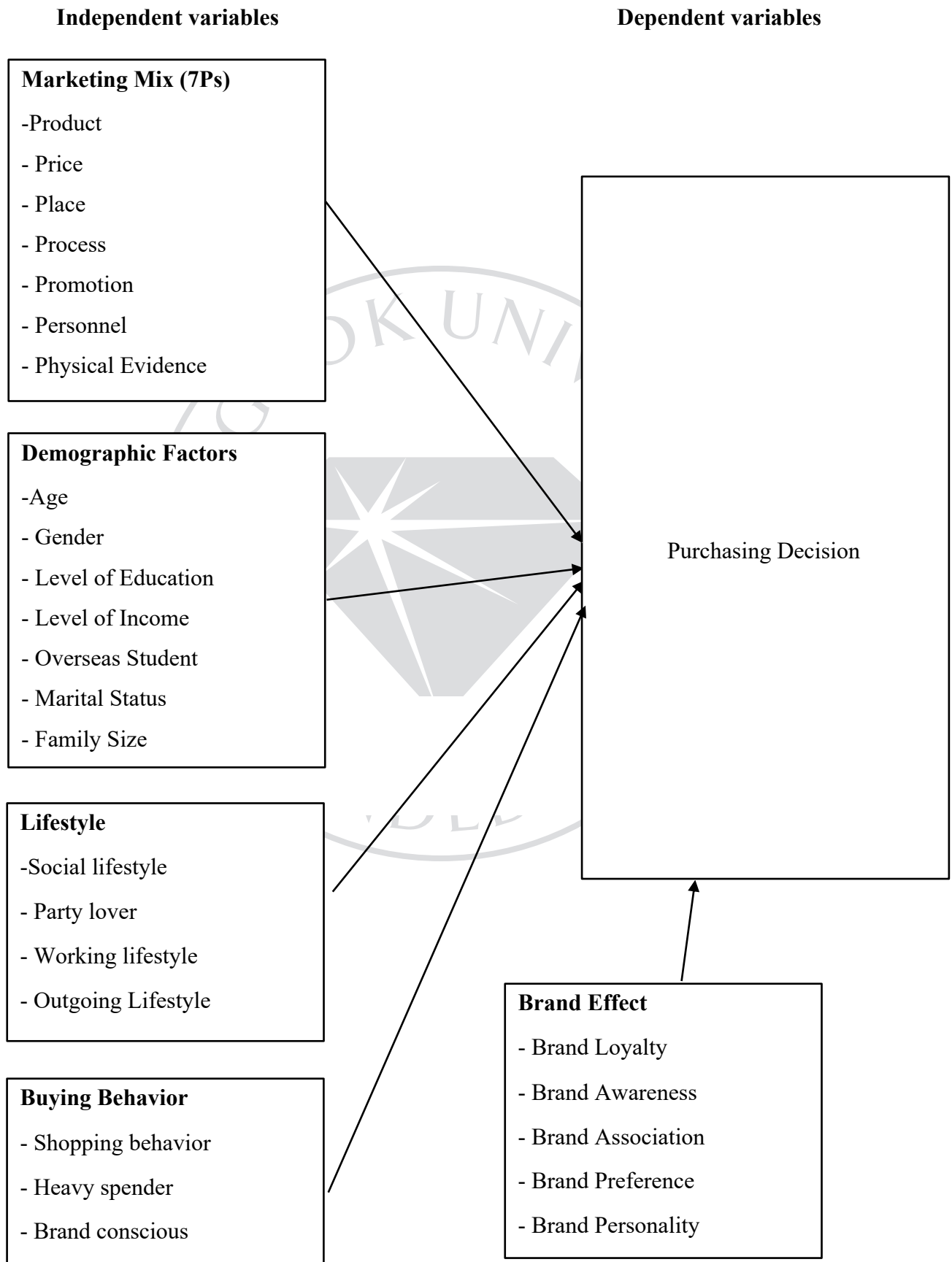


Figure 2.1 : Conceptual Framework



CHAPTER 3

RESEARCH METHODOLOGY

The objective of this chapter is to outline the ways to collect data, which is explained about research design, sampling design, research instruments, data collection method, statistical analysis method, and reliability analysis.

3.1 Method of the Research

The research starts with the study of secondary data analysis regarding to the Behavior of buying Key factors that encourage users reasons-to-buy (RTB) of customers and Buyer profile. Then, the research problems are developed following by conceptual framework and hypotheses. As stated earlier, the conceptual framework has been developed from research paper's theories and frameworks.

The quantitative research method is used as a tool to collect data through a distribution of questionnaire survey. The questions aim to identify the demographic profile of the respondents in relations to their the behavior of these customers in terms of their decision making towards purchasing branded products based on the areas in Bangkok. It also measures in terms of both relationship and impact among dependent variables with the level of strength concerned.

3.2 Respondents and Sampling Procedures

The population includes working-age women using luxury brands. The sample size are 400 respondents in Bangkok who are identified as women aged over 30 years old because they are more likely to afford the luxury bags due to their more purchasing power compared the younger-age women and also they tend to have good job, and high social status. The researcher does not know the exact population of this group. So the researcher sets the sample size. Probability sampling (W.G. Cochran, 1953) was used to determine the level of confidence. And a 5 percent error rate (Comm. Commander, 2006: 75). The calculation formula used in this study is

$$\text{Formula } n = \frac{P(1-P)Z^2}{E^2}$$

Where **n** is the sample size.

P represents the proportion of population that the researcher is randomizing 0.50.

Z was 1.96 at the confidence level of 95% (.05).

E represents the maximum error value of .05

$$n = \frac{(.50)(1 - 0.50)(1.96)^2}{(0.05)^2}$$

$$n = 384.16$$

The sample size was at least 385 people. In this research, the researcher will determine the sample size of 400 people.

3.3 Research Instruments

The data are gathered through questionnaire surveys. The questionnaire comprises of three parts with the total 54 questions excluding the screening questions.

Part 1– Buying Decision on Brand Choice

This part focus on the factors which affect to the buying decision of the respondents by the question asking the brand of their choice, then the Likert Scale questions are developed for the respondents to rate the level of effect and agreement of each factor and statement, respectively.

Part 2–General Information

This part includes a set of questions the demographic factors of the respondents which include their gender, level of income, level of education , age, family size and marital status.

The criteria for Likert Scale in Part 1 (Buying Decision on Brand Choice) are as following;

- Most Effect which has a score equivalent to 5 points
- More Effect which has a score equivalent to 4 points
- Moderate Effect which has a score equivalent to 3 points
- Low Effect which has a score equivalent to 2 points
- Very Low Effect which has a score equivalent to 1 point

In order to find the width of the class interval we will use the formula as following (Vichit U-on, 2553)

$$\text{Class Interval} = \frac{\text{Range}}{\text{The numbers of levels}} = \frac{\text{Highest points} - \text{Lowest points}}{\text{The numbers of levels}}$$

$$= \frac{5-1}{5} = 0.8$$

Finding the means behind the average score in order to arrange these score as shown in the following ;

The explaining the means behind the average score

4.21-5.00 Most Effect

3.41-4.20 More Effect

2.61-3.40 Moderate Effect

1.81-2.60 Low Effect

1.00-1.80 Very Low Effect

3.4 Collection of Data

They survey is administered to the total of 400 people. It was conducted from 23th July to 27th August 2018. Paper questionnaires are distributed by hand in paper form. The online survey is created through Google Forms to the respondents for completion. The online hyperlink transfers through line application and Facebook. All paper forms are later inserted into the Google Forms, in order to reduce the error that can occur during the export of data. Hence, all answer of each respondents are well organized and kept in the online site.

Data collection has been done during from 23th July to 27th August 2018 by distributing the questionnaires to sample group who experienced these three luxury fashion brands including Hermes, Chanel, Louis Vuitton in Bangkok. The researcher divided the questionnaire in to four

parts, which are brand choice selection, the key independent variables for hypothesis testing, the element mix of each independent variables and demographics.

3.5 Statistical Treatment of Data

The data is analyzed by using statistical software called IBM Statistical Package for the Social Sciences (IBM SPSS) at 21st version. The SPSS is used to analyze all data including reliability test, descriptive analysis, and inferential analysis.

The descriptive analysis is defined in forms of frequency and percentage, which explains the information about respondent profile and important findings. The inferential analysis is applied as the method to analyze the Inferential Statistic such as the analysis of hypothesis as divided into 4 parts which are;

- 3.5.1 The hypothesis of 1, 2 up until 3 will be carried out by using the method of the multiple regression in order to find out the relationship between the Independent Variables and the Dependent Variables.

3.6 Reliability Test

Reliability analysis is conducted to ensure that all questions regarding to the variables can offer reliable results, which can be applied into the real world. The variable with Cronbach's alpha of greater than 0.6 is considered as reliable. The reliability test result with 30 respondents is shown in table 3.1. The result of this study ranges from 0.6-0.99 Therefore, the criteria for reliability are met for this study.

Table 3.1: Reliability test (pre-test)

Reliability Statistics	
Cronbach's Alpha	N of Items
.929	54

In general, a score of more than 0.7 is considered as acceptable. The value of Cronbach's alpha coefficient of the 30 pre-set questionnaires is with n of items = 0.929.

3.7 Content Validity

To prove the consistency of the question, the researcher using Index of ItemObjective Congruence method (IOC) to calculate the consistency between questions and objective. The consistency index value will be accepted the value at 0.5 or above, and the equation is:

$$IOC = \frac{\sum R}{N}$$

N

IOC = consistency between the objective and questions.

$\sum R$ = total assessment points given from all qualified experts.

N = number of qualified experts.

Index of Item–Objective Congruence (IOC) from three experts result are as follows:

No	Expert 1 Piyawan Leelasompob (Vise President Marketing Central Group)			Expert 2 Tippapun Rattanakorn (Account Director Chuo Senko)			Expert 3 Dolporn Charindhorn (Client Service Director Chuo Senko)			Total Score	IOC= $(\sum R)/N$	Total Score Σ
	1	0	-1	1	0	-1	1	0	-1			
1		0		1			1			2	0.67	Acceptable
2.1	1			1				0		2	0.67	Acceptable
2.2	1			1				0		2	0.67	Acceptable
2.3		0		1			1			2	0.67	Acceptable
2.4	1				0		1			1	0.67	Acceptable
2.5		0		1			1			2	0.67	Acceptable

2.6		0		1			1			2	0.67	Acceptable
2.7		0		1			1			2	0.67	Acceptable
2.8		0		1			1			2	0.67	Acceptable
2.9		0		1			1			2	0.67	Acceptable
2.10		0		1			1			2	0.67	Acceptable
3.1.1	1			1			1			3	1	Acceptable
3.1.2	1			1			1			3	1	Acceptable
3.1.3	1			1			1			3	1	Acceptable
3.1.4	1			1			0			2	0.67	Acceptable
3.2.1		0		1			1			2	0.67	Acceptable
3.2.2	1				0		1			1	0.67	Acceptable
3.3.1	1				0		1			1	0.67	Acceptable
3.3.2	1			1			1			2	0.67	Acceptable
3.3.3		0		1			1			2	0.67	Acceptable
3.3.4		0		1			1			2	0.67	Acceptable
3.3.5	1				0		1			1	0.67	Acceptable
3.4.1	1				0		1			1	0.67	Acceptable
3.4.2	1				0		1			1	0.67	Acceptable
3.5.1		0		1			1			2	0.67	Acceptable
3.5.2	1				0		1			1	0.67	Acceptable
3.5.3	1			1			1			3	1	Acceptable
3.6.1	1				0		1			2	0.67	Acceptable
3.6.2	1				0		1			1	0.67	Acceptable

3.6.3	1			1			1			3	1	Acceptable
3.7.1		0		1			1			2	0.67	Acceptable
3.7.2	1			1			1			3	1	Acceptable
3.7.3	1			1			1			3	1	Acceptable
3.8.1	1				0		1			1	0.67	Acceptable
3.8.2	1				0		1			1	0.67	Acceptable
3.8.3	1				0		1			1	0.67	Acceptable
3.9.1	1			1			1			3	1	Acceptable
3.9.2	1			1			1			3	1	Acceptable
3.9.3	1			1			1			3	1	Acceptable
3.9.4	1				0		1			2	0.67	Acceptable
3.9.5	1				0		1			2	0.67	Acceptable
3.10.1	1			1			1			3	1	Acceptable
3.10.2	1			1			1			3	1	Acceptable
3.10.3	1			1			1			3	1	Acceptable
3.11.1		0		1			1			2	0.67	Acceptable
3.11.2		0		1			1			2	0.67	Acceptable
3.11.3		0		1			1			2	0.67	Acceptable
4.1	1			1						2	0.67	Acceptable
4.2	1				0		1			2	0.67	Acceptable
4.3	1			1			1			3	1	Acceptable
4.4	1				0		1			1	0.67	Acceptable
4.5		0		1			1			2	0.67	Acceptable

4.6		0		1			1			2	0.67	Acceptable
4.7	1			1			1			3	1	Acceptable

There are three levels of assessment point:

+1 means the question is certainly consistent

0 means the question is unsure to be consistent

-1 means the question is inconsistent

Where:

IOC = consistency between the objective and questions.

ΣR = total assessment points given from all qualified experts.

N = number of qualified experts

Therefore $IOC = 41.13/54$

$= 0.762$

After doing the IOC analysis, the question under the value of 0.5 has to be cut off or adapted.

The overall IOC score is 0.762, and one question has been cut off because the score is lower 0.5.

CHAPTER 4

RESEARCH FINDINGS AND DATA ANALYSIS

In this chapter, the researcher presents a complete result and analysis of this study. The result of 400 questionnaires received from surveys and online surveys, which are conducted by conceptual framework and methodology in the previous chapter. The result of factors that affecting consumer buying preference towards top three luxury fashion brands including Hermes, Chanel & Louis Vuitton in Bangkok, Thailand will be separated in to three part:

4.1 The analysis of multinomial logistic regression method to explain the significant of key independent variables for hypothesis testing (7 Likert scale)

4.2 The analysis of multinomial logistic regression method to figure out significance of element mix of each independent variables including Demographic Factors , Brand Equity , Marketing mix (7Ps) , Buying Behavior, and consumer lifestyle. (5 Likert scale)

4.3 The analysis of descriptive statistics between consumer brand selection and demographics to figure out customer profiling of each brand for segmentation purpose

4.1 The Analysis of Multinomial Logistic Regression Method to Explain the Significant of Key Independent Variables for Hypothesis Testing 7 Likert Scales

In this part, the researcher will apply multinomial logistic regression to analyze data. As the researcher mentioned before on previous chapter, Multinomial logistic regression is used to predict a nominal dependent variable with one or more independent variables. To test all hypotheses, the following multinomial logistic regression's result shows that:

Table 4.1: Hypothesis test: Likelihood Ratio Test

Effect	Model Fitting Criteria	Likelihood Ratio Tests		
	-2 Log Likelihood of Reduced Model	Chi-Square	df	Sig.
Product	464.718 ^a	25.821	2	.000
Price	568.359 ^a	129.462	2	.000
Process (Ordering Process, Delivery Process, Return &Refund, Warranty)	627.833 ^a	188.935	2	.000
Promotion	687.393	248.496	2	.000
Personnal (In-store Sales Person)	516.397 ^a	77.500	2	.000
Place	438.897 ^b	.000	0	.000.
Psychographic Factors (Store Ambience, Store Interior)	513.509 ^a	74.612	2	.000
Buying Behavior (Frequent Shopper, Heavy Spender etc.)	622.268	183.371	2	.000
Brand Effect (Brand Loyalty ,Brand Awareness,Brand Association,Brand Preference ,Brand Personality)	439.754 ^a	.857	2	.651

Table 4.1 (Continued) : Hypothesis test: Likelihood Ratio Test

Demographic Factors (Age, Occupation, Marital Status and Job Position)	438.897 ^b	.000	0	0.
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The hypothesis testing results are shown in Table 4.1 as following:

- We can reject Ho: product has no effect on brand choice decision of Hermes, Chanel & Louis Vuitton; and accept Ha: product has significant effect on brand choice decision of Hermes, Chanel & Louis Vuitton; due to p-value of product < 0.05
- We can reject Ho: price has no effect on brand choice decision of Hermes, Chanel & Louis Vuitton; and accept Ha: price has significant effect on brand choice decision of Hermes, Chanel & Louis Vuitton; due to p-value of price < 0.05.
- We can reject Ho: process has no effect on brand choice decision of Hermes, Chanel & Louis Vuitton; and accept Ha: process has significant effect on brand choice decision of Hermes, Chanel & Louis Vuitton; due to p-value of process < 0.05.
- We can reject Ho: promotion has no effect on brand choice decision of Hermes, Chanel & Louis Vuitton; and accept Ha: promotion has significant effect on brand choice decision of Hermes, Chanel & Louis Vuitton; due to p-value of promotion < 0.05.
- We can reject Ho: personnal has no effect on brand choice decision of Hermes, Chanel & Louis Vuitton; and accept Ha: personnal has significant effect on brand choice decision of Hermes, Chanel & Louis Vuitton; due to p-value of personnal < 0.05.
- We can reject Ho: physical factors has no effect on brand choice decision of Hermes, Chanel & Louis Vuitton; and accept Ha: physical factors has significant effect on brand choice decision of Hermes, Chanel & Louis Vuitton; due to p-value of physical factors < 0.05.
- We can reject Ho: Buying Behavior has no effect on brand choice decision of Hermes, Chanel & Louis Vuitton; and accept Ha: Buying Behavior has significant effect on brand choice decision of Hermes, Chanel & Louis Vuitton; due to p-value of Buying Behavior < 0.05.

- We cannot reject H_0 : brand has no effect on brand choice decision of Hermes, Chanel & Louis Vuitton; therefore brand does not have significant effect on brand choice decision among these three name brands (Hermes, Chanel & Louis Vuitton); due to p-value of brand effect > 0.05 .
- For place and demographic Factors , we need more data to test these hypotheses.

4.2 The Analysis of Multinomial Logistic Regression Method to Figure out Significance of Element Mix of each Independent Variables Including Brand Equity, Marketing Mix (7Ps), buying Behavior, Brand Effect , lifestyle and demographic factors. (5 Likert Scale)

In this part, the researcher will apply multinomial logistic regression to analyze the data. Multinomial logistic regression is used to predict a nominal dependent variable with one or more independent variables. In this part, researcher analyzes data between consumers' brand selection, product, price, place, promotion, personnel , psychical evidence, process , buying Behavior, Brand Effect , lifestyle and demographic factors.

When we look into each brand choice further, we've also found the following interesting insights:

- Consumer seems to choose Hermes due to its limited edition (p-value of Product has limited edition < 0.05) and its reasonable price (p-value of The product price is reasonable. < 0.05).
- Consumer seems to choose Chanel due to its unique raw material (p-value of Product has unique raw material < 0.05), its limited edition (p-value of Product has limited edition < 0.05), its reasonable price (p-value of The product price is reasonable < 0.05) and its impressive pre-sale & post-sale services (p-value of Impressive pre-sale & post sale service < 0.05).
- Consumer seems to choose Louis Vuitton due to its unique raw material (p-value of Product has unique raw material < 0.05), its limited edition (p-value of Product has limited edition < 0.05), and its reasonable price (p-value of The product price is reasonable < 0.05).

Table 4.2 : Hypothesis test: Parameter Estimate

Brand ^a		B	Std. Error	Wald	df	Sig.
Hermes	Product has high quality.	-27.826	59.963	.215	1	.643
	Product is uniquely design.	29.745	59.964	.246	1	.620
	Product has unique raw material.	-70.626	96.136	.540	1	.463
	Product has limited edition.	3.112	.607	26.331	1	.000
	I purchase this bag because of price signaling status.	-.340	.332	1.047	1	.306
	The product price is reasonable.	-1.636	.403	16.507	1	.000
	The brand actively responds to customer's problem.	67.494	96.132	.493	1	.483
	Service quality meets the acceptable standard.	.182	.358	.259	1	.611
	Service is always beyond expectation.	0 ^b	0	0	0	0
	Impressive pre-sale & post sale service.	-.168	.194	.751	1	.386
	End to end selling & delivery process.	0 ^b	0	0	0	0
	I buy the product because the brand never had the promotion.	0 ^b	0	0	0	0
	I buy the product	0 ^b	0	0	0	0

because the brand often launches the promotion.					
Staff are willing to help customers when they need some assistance.	0 ^b	0	0	0	0
Staff have the positive attitude towards delivering service to customers.	0 ^b	0	0	0	0
Staff always have professional & attractive appeal.	0 ^b	0	0	0	0
The brand provides various channels for selling products.	0 ^b	0	0	0	0
The stores are located in easily accessed areas.	0 ^b	0	0	0	0
The store location is exclusive.	0 ^b	0	0	0	0
The stores are hygienic and well-designed.	0 ^b	0	0	0	0
The in-store environment convinces the decision to buy the products.	0 ^b	0	0	0	0
The store interior is always elegance & luxury.	0 ^b	0	0	0	0

I often buy the products because of brand name.	0 ^b	0	0	0	0
I consider myself as the heavy spender.	0 ^b	0	0	0	0
The brand personality can actively reflect my characters.	0 ^b	0	0	0	0
I have favorable experiences and association with the brand.(BA)	0 ^b	0	0	0	0
I always prefer this brand. (BF)	0 ^b	0	0	0	0
I am loyal to this brand. (BL)	0 ^b	0	0	0	0
I purchase this brand due to social pressure.	0 ^b	0	0	0	0
My brand choice suits my social lifestyle.	0 ^b	0	0	0	0
I enjoy using the brand which supports my working lifestyle.	0 ^b	0	0	0	0
This brand fits with my personal lifestyle.	0 ^b	0	0	0	0
I select the brand based on my income level.	0 ^b	0	0	0	0
My marital status affects my brand	0 ^b	0	0	0	0

	choice.					
	My career influences my brand choice.	0 ^b	0	0	0	0
Chanel	Product has high quality.	-14.769	65.088	.051	1	.821
	Product is uniquely design.	16.950	65.090	.068	1	.795
	Product has unique raw material.	-83.621	.633	17452.954	1	0.000
	Product has limited edition.	3.018	.587	26.389	1	.000
	I purchase this bag because of price signaling status.	-.086	.291	.088	1	.766
	The product price is reasonable.	-2.141	.389	30.286	1	.000
	The brand actively responds to customer's problem.	80.274	0.000	0	1	0
	Service quality meets the acceptable standard.	-.041	.295	.019	1	.891
	Service is always beyond expectation.	0 ^b	0	0	0	0
	Impressive pre-sale & post sale service.	.514	.174	8.672	1	.003
	End to end selling & delivery process.	0 ^b	0	0	0	0
	I buy the product because the brand never had the promotion.	0 ^b	0	0	0	0
	I buy the product	0 ^b	0	0	0	0

because the brand often launches the promotion.					
Staff are willing to help customers when they need some assistance.	0 ^b	0	0	0	0
Staff have the positive attitude towards delivering service to customers.	0 ^b	0	0	0	0
Staff always have professional & attractive appeal.	0 ^b	0	0	0	0
The brand provides various channels for selling products.	0 ^b	0	0	0	0
The stores are located in easily accessed areas.	0 ^b	0	0	0	0
The store location is exclusive.	0 ^b	0	0	0	0
The stores are hygienic and well-designed.	0 ^b	0	0	0	0
The in-store environment convinces the decision to buy the products.	0 ^b	0	0	0	0
The store interior is always elegance & luxury.	0 ^b	0	0	0	0

I often buy the products because of brand name.	0 ^b	0	0	0	0
I consider myself as the heavy spender.	0 ^b	0	0	0	0
The brand personality can actively reflect my characters.	0 ^b	0	0	0	0
I have favorable experiences and association with the brand.(BA)	0 ^b	0	0	0	0
I always prefer this brand. (BF)	0 ^b	0	0	0	0
I am loyal to this brand. (BL)	0 ^b	0	0	0	0
I purchase this brand due to social pressure.	0 ^b	0	0	0	0
My brand choice suits my social lifestyle.	0 ^b	0	0	0	0
I enjoy using the brand which supports my working lifestyle.	0 ^b	0	0	0	0
This brand fits with my personal lifestyle.	0 ^b	0	0	0	0
I select the brand based on my income level.	0 ^b	0	0	0	0
My marital status affects my brand	0 ^b	0	0	0	0

	choice.					
	My career influences my brand choice.	0 ^b	0	0	0	0
	Product has high quality.	0 ^b	0	0	0	0
Louis Vuitton	Product has high quality.	29.826	73.075	.167	1	.683
	Product is uniquely design.	-31.745	73.076	.189	1	.664
	Product has unique raw material.	75.626	.638	14044.815	1	0.000
	Product has limited edition.	-3.112	.607	26.331	1	.000
	I purchase this bag because of price signaling status.	.340	.332	1.047	1	.306
	The product price is reasonable.	1.636	.403	16.507	1	.000
	The brand actively responds to customer's problem.	-72.494	0	0	0	0
	Service quality meets the acceptable standard.	-.182	.358	.259	1	.611
	Service is always beyond expectation.	0 ^b	0	0	0	0
	Impressive pre-sale & post sale service.	.168	.194	.751	1	.386
	End to end selling & delivery process.	0 ^b	0	0	0	0
	I buy the product because the brand never had the	0 ^b	0	0	0	0

	promotion.					
	I buy the product because the brand often launches the promotion.	0 ^b	0	0	0	0
	Staff are willing to help customers when they need some assistance.	0 ^b	0	0	0	0
	Staff have the positive attitude towards delivering service to customers.	0 ^b	0	0	0	0
	Staff always have professional & attractive appeal.	0 ^b	0	0	0	0
	The brand provides various channels for selling products.	0 ^b	0	0	0	0
	The stores are located in easily accessed areas.	0 ^b	0	0	0	0
	The store location is exclusive.	0 ^b	0	0	0	0
	The stores are hygienic and well-designed.	0 ^b	0	0	0	0
	The in-store environment convinces the decision to buy the products.	0 ^b	0	0	0	0
	The store interior is	0 ^b	0	0	0	0

	always elegance & luxury.					
	I often buy the products because of brand name.	0 ^b	0	0	0	0
	I consider myself as the heavy spender.	0 ^b	0	0	0	0
	The brand personality can actively reflect my characters.	0 ^b	0	0	0	0
	I have favorable experiences and association with the brand.(BA)	0 ^b	0	0	0	0
	I always prefer this brand. (BF)	0 ^b	0	0	0	0
	I am loyal to this brand. (BL)	0 ^b	0	0	0	0
	I purchase this brand due to social pressure.	0 ^b	0	0	0	0
	My brand choice suits my social lifestyle.	0 ^b	0	0	0	0
	I enjoy using the brand which supports my working lifestyle.	0 ^b	0	0	0	0
	This brand fits with my personal lifestyle.	0 ^b	0	0	0	0
	I select the brand based on my income level.	0 ^b	0	0	0	0

Table 4.2 (Continued) : Hypothesis test: Parameter Estimate

	My marital status affects my brand choice.	0 ^b	0	0	0	0
	My career influences my brand choice.	0 ^b	0	0	0	0
	Product has high quality.	0 ^b	0	0	0	0

4.3 The analysis of descriptive statistics between consumer brand selection and demographics to figure out customer profiling of each brand for segmentation purpose

For brand segmentation analysis, we've found that:

Gender :

- Hermes customers fall into one gender : 100% =men
- Chanel customers fall into one gender : 100% =female
- Louis Vuitton customers fall into two gender : 8.7% =men , 91.3% =female

Table 4.3 : Hypothesis test: Preferred Brand and Gender

			Preferred Brand			Total
			Hermes	Chanel	Louis Vuitton	
GENDER	Men	Count	79	0	14	93
		% within gender	84.9%	0.0%	15.1%	100.0%
		% within brand	100.0%	0.0%	8.7%	23.3%
		% of Total	19.8%	0.0%	3.5%	23.3%
	Female	Count	0	160	147	307
		% within gender	0.0%	52.1%	47.9%	100.0%
		% within brand	0.0%	100.0%	91.3%	76.8%
		% of Total	0.0%	40.0%	36.8%	76.8%
Total	Count	79	160	161	400	
	% within gender	19.8%	40.0%	40.3%	100.0%	
	% within brand	100.0%	100.0%	100.0%	100.0%	
	% of Total	19.8%	40.0%	40.3%	100.0%	

For brand segmentation analysis, we've found that:

Age :

- Hermes customers fall into three age ranges: 33% < 20yrs , 18% 21-25yrs , 32% 26-30yrs, 18% > 40yrs.
- Chanel customers fall into three age ranges: 41% < 20yrs, 18% 21-25yrs , 9% 26-30yrs, 9% 31-40 yrs, 24% > 40yrs.
- Louis Vuitton customers fall into three age ranges: 51% < 20yrs, 9% 21-25yrs , 16% 26-30yrs, 9% 31-40 yrs, 16% > 40yrs.

Table 4.4 : Hypothesis test: Preferred Brand and Age

		Preferred Brand			Total	
		Hermes	Chanel	Louis Vuitton		
AGE	20 years old or lower	Count	26	66	82	174
		% within q4.2	14.90%	37.90%	47.10%	100.00%
		% within q1	32.90%	41.30%	50.90%	43.50%
		% of Total	6.50%	16.50%	20.50%	43.50%
	21-25 years old	Count	14	28	14	56
		% within q4.2	25.00%	50.00%	25.00%	100.00%
		% within q1	17.70%	17.50%	8.70%	14.00%
		% of Total	3.50%	7.00%	3.50%	14.00%
	26-30 years old	Count	25	14	26	65
		% within q4.2	38.50%	21.50%	40.00%	100.00%
		% within q1	31.60%	8.80%	16.10%	16.30%
		% of Total	6.30%	3.50%	6.50%	16.30%
	31-40 years old	Count	0	14	14	28
		% within q4.2	0.00%	50.00%	50.00%	100.00%
		% within q1	0.00%	8.80%	8.70%	7.00%
		% of Total	0.00%	3.50%	3.50%	7.00%
40 years old or over	Count	14	38	25	77	
	% within q4.2	18.20%	49.40%	32.50%	100.00%	
	% within q1	17.70%	23.80%	15.50%	19.30%	
	% of Total	3.50%	9.50%	6.30%	19.30%	

Table 4.4 (Continued) : Hypothesis test: Preferred Brand and Age

Total	Count	79	160	161	400
	% within q4.2	19.80%	40.00%	40.30%	100.00%
	% within q1	100.00%	100.00%	100.00%	100.00%
	% of Total	19.80%	40.00%	40.30%	100.00%

For brand segmentation analysis, we've found that:

Educations :

- Hermes customers fall into two Educations : 84.8% = Undergraduate and 15.2% = Graduate
- Chanel customers fall into three Educations : 51.3% = Undergraduate , 41.3% = Graduate and 7.5% = Master/Doctoral Degree
- Louis Vuitton customers fall into three Educations : 17.4% = High school/ Vocational School , 73.9 % = Undergraduate and 8.7% = Graduate

Table 4.5 : Hypothesis test: Preferred Brand and Educations

		Preferred Brand			Total	
		Hermes	Chanel	Louis Vuitton		
Educations	High school/ Vocational School	Count	0	0	28	28
		% within Educations	0.0%	0.0%	100.0%	100.0%
		% within brand	0.0%	0.0%	17.4%	7.0%
		% of Total	0.0%	0.0%	7.0%	7.0%
	Undergraduate	Count	67	82	119	268
		% within Educations	25.0%	30.6%	44.4%	100.0%
		% within brand	84.8%	51.3%	73.9%	67.0%
		% of Total	16.8%	20.5%	29.8%	67.0%
	Graduate	Count	12	66	14	92
		% within Educations	13.0%	71.7%	15.2%	100.0%
		% within brand	15.2%	41.3%	8.7%	23.0%
		% of Total	3.0%	16.5%	3.5%	23.0%

Table 4.5 (Continued) : Hypothesis test: Preferred Brand and Educations

	Master/Doctoral Degree	Count	0	12	0	12
		% within Educations	0.0%	100.0%	0.0%	100.0%
		% within brand	0.0%	7.5%	0.0%	3.0%
		% of Total	0.0%	3.0%	0.0%	3.0%
Total		Count	79	160	161	400
		% within Educations	19.8%	40.0%	40.3%	100.0%
		% within brand	100.0%	100.0%	100.0%	100.0%
		% of Total	19.8%	40.0%	40.3%	100.0%

For brand segmentation analysis, we've found that:

Income (Monthly Average) :

- Hermes customers fall into two Income (Monthly Average) ranges: 84.8% = Undergraduate and 15.2% = Graduate
- Chanel customers fall into three Income (Monthly Average) ranges: 51.3% = Undergraduate , 41.3% = Graduate and 7.5% = Master/Doctoral Degree
- Louis Vuitton customers fall into three Income (Monthly Average) ranges: 17.4% = High school/ Vocational School , 73.9 % = Undergraduate and 8.7% = Graduate

Table 4.6 : Hypothesis test: Preferred Brand and Income (Monthly Average)

			Preferred Brand			Total
			Hermes	Chanel	Louis Vuitton	
Income (Monthly Average)	15,000 Baht or lower	Count	53	40	65	158
		% within q4.4	33.50%	25.30%	41.10%	100.00%
		% within q1	67.10%	25.00%	40.40%	39.50%
		% of Total	13.30%	10.00%	16.30%	39.50%
	15,001-20,000 Baht	Count	0	28	42	70
		% within q4.4	0.00%	40.00%	60.00%	100.00%
		% within q1	0.00%	17.50%	26.10%	17.50%
		% of Total	0.00%	7.00%	10.50%	17.50%

Table 4.6 (Continued) : Hypothesis test: Preferred Brand and Income (Monthly Average)

	20,001-30,000 Baht	Count	0	40	40	80
		% within q4.4	0.00%	50.00%	50.00%	100.00%
		% within q1	0.00%	25.00%	24.80%	20.00%
		% of Total	0.00%	10.00%	10.00%	20.00%
	30,001-40,000 Baht	Count	14	26	0	40
		% within q4.4	35.00%	65.00%	0.00%	100.00%
		% within q1	17.70%	16.30%	0.00%	10.00%
		% of Total	3.50%	6.50%	0.00%	10.00%
	40,001 Baht or over	Count	12	26	14	52
		% within q4.4	23.10%	50.00%	26.90%	100.00%
		% within q1	15.20%	16.30%	8.70%	13.00%
		% of Total	3.00%	6.50%	3.50%	13.00%
Total		Count	79	160	161	400
		% within q4.4	19.80%	40.00%	40.30%	100.00%
		% within q1	100.00%	100.00%	100.00%	100.00%
		% of Total	19.80%	40.00%	40.30%	100.00%

For brand segmentation analysis, we've found that:

Marital Status :

- Hermes customers fall into two Marital Status : 50.6% = Married and 49.4% = Single
- Chanel customers fall into one Marital Status : 100% = Single
- Louis Vuitton customers fall into two Marital Status : 32.9% = Married and 67.1% = Single

Table 4.7 : Hypothesis test: Preferred Brand and Marital Status

		Preferred Brand			Total	
		Hermes	Chanel	Louis Vuitton		
Marital Status	Married	Count	40	0	53	93
		% within Marital Status	43.0%	0.0%	57.0%	100.0%
		% within Brand	50.6%	0.0%	32.9%	23.3%
		% of Total	10.0%	0.0%	13.3%	23.3%

Table 4.7 (Continued) : Hypothesis test: Preferred Brand and Marital Status

	Single	Count	39	160	108	307
		% within Marital Status	12.7%	52.1%	35.2%	100.0%
		% within Brand	49.4%	100.0%	67.1%	76.8%
		% of Total	9.8%	40.0%	27.0%	76.8%
Total		Count	79	160	161	400
		% within Marital Status	19.8%	40.0%	40.3%	100.0%
		% within Brand	100.0%	100.0%	100.0%	100.0%
		% of Total	19.8%	40.0%	40.3%	100.0%

For brand segmentation analysis, we've found that :

Family Size :

- Hermes customers fall into two Family Size : 68.4% = Less than four members and 31.6% = Four members or over
- Chanel customers fall into two Marital Status : 26.3% = Less than four members and 73.8% = Four members or over
- Louis Vuitton customers fall into two Marital Status : 41.6% = Less than four members and 58.4% = Four members or over

Table 4.8 : Hypothesis test: Preferred Brand and Family Size

		Preferred Brand			Total	
		Hermes	Chanel	Louis Vuitton		
Family Size	Less than four members	Count	54	42	67	163
		% within Family Size	33.1%	25.8%	41.1%	100.0%
		% within Brand	68.4%	26.3%	41.6%	40.8%
		% of Total	13.5%	10.5%	16.8%	40.8%

Table 4.8 (Continued) : Hypothesis test: Preferred Brand and Family Size

	Four members or over	Count	25	118	94	237
		% within Family Size	10.5%	49.8%	39.7%	100.0%
		% within Brand	31.6%	73.8%	58.4%	59.3%
		% of Total	6.3%	29.5%	23.5%	59.3%
Total		Count	79	160	161	400
		% within Family Size	19.8%	40.0%	40.3%	100.0%
		% within Brand	100.0%	100.0%	100.0%	100.0%
		% of Total	19.8%	40.0%	40.3%	100.0%

For brand segmentation analysis, we've found that :

Job Position :

- Hermes customers fall into three Job Position: 17.7% = Top Management , 64.6%= Middle Management and 17.7% = Others
- Chanel customers fall into three Job Position : 17.5% = Top Management , 41.3%= Middle Management and 41.3% = Supervisor
- Louis Vuitton customers fall into three Job Position : 67.1%= Middle Management ,16.8% = Supervisor and 16.1%=Others

Table 4.9 : Hypothesis test: Preferred Brand and Job Position

		Preferred Brand			Total	
		Hermes	Chanel	Louis Vuitton		
Job Position	Top Management	Count	14	28	0	42
		% within Job Position	33.3%	66.7%	0.0%	100.0%
		% within Brand	17.7%	17.5%	0.0%	10.5%

Table 4.9 (Continued) : Hypothesis test: Preferred Brand and Job Position

		% of Total	3.5%	7.0%	0.0%	10.5%
	Middle Management	Count	51	66	108	225
		% within Job Position	22.7%	29.3%	48.0%	100.0%
		% within Brand	64.6%	41.3%	67.1%	56.3%
		% of Total	12.8%	16.5%	27.0%	56.3%
	Supervisor	Count	0	66	27	93
		% within Job Position	0.0%	71.0%	29.0%	100.0%
		% within Brand	0.0%	41.3%	16.8%	23.3%
		% of Total	0.0%	16.5%	6.8%	23.3%
	Others	Count	14	0	26	40
		% within Job Position	35.0%	0.0%	65.0%	100.0%
		% within Brand	17.7%	0.0%	16.1%	10.0%
		% of Total	3.5%	0.0%	6.5%	10.0%
	Total	Count	79	160	161	400
		% within Job Position	19.8%	40.0%	40.3%	100.0%
		% within Brand	100.0%	100.0%	100.0%	100.0%
		% of Total	19.8%	40.0%	40.3%	100.0%

CHAPTER 5

Conclusion and Discussion

This study takes many previous related studies and theories into account in order to widen the scope of knowledge of the researcher towards the topic of study as well as being the guidelines to set the hypotheses of the study and associate with the formation of conceptual framework. The study further needs to address the understanding towards the consumers' decision making process that determines their choices in purchasing branded handbags. The decision making process considers many various factors which influence their actions such as the behavior of these customers towards buying these products including the brand effects and the marketing mix (7Ps).

The study found that the different demographic factors affected the decision to buy different bags. The results are underpinned by the previous researcher, Dhitiya Boonsinsukh (2011) which figured out that the demographic factors impacted the decision making for purchasing luxury brand name products. Kotler (2003) noted the importance of personal factors as it directly influenced the ways customers decided to buy products or services. The customers who have different ages tend to give the different values to things. Meanwhile, the difference of men and women exists in nature, and each gender has the specific interests different as the results from the norms set by the society.

According to the study by Sudhankitara (2011), the demographic factors are also the factors to influence purchasing decision also. He concluded that the customers who are different in their genders and incomes would look up for different kinds of information about luxury bags via the internet. Consumers with different ages and incomes tended to seek out for different kinds of information about luxury bags via the internet. Meanwhile, the consumers with different demographics are not significantly different in their buying behavior via the internet.

The findings of the study also prove the validity of the 2nd hypothesis – The different psychographic factors affect the decision to buy different bags. As shown in the previous chapter, based on the result from the hypotheses testing, the findings show that buying behavior and the lifestyle, which both are considered as psychological influences, had significant effect on

brand choice decision of Hermes, Chanel & Louis. This greatly supports the study by Kamol (2015) which figured out the effect of the buying behavior on the purchasing decision making. According to Schiffman and Kanuk (2004), the buying decision of customers was also driven by psychological motives of the individuals. The psychological factors which include the self-belief, attitude and perception would shape the way consumers view of the specific products and if they had the good perception towards them, they would have more chances to make the purchase.

Moreover, all factors in Marketing Mix (7Ps) except 'place' are significant factors could significantly impact on the purchasing decision of consumers of the Hermes, Chanel & Louis Vuitton. To start with, the product had significant effect on brand choice decision of these brands. This shows that the consumers are concerned for their product quality and attributes, in this case; the bags, whether it could attain their level of expectation towards the product or not, supporting the studies of some previous researchers (Atthasak, 2016; Jakkaew, 2015). The result underpins the Marketing Mix (7Ps) that product is associated with the consumer behavior including the purchasing decision. Accordingly, consumers seemed to choose Chanel and Louis Vuitton due to its unique raw material.

Also, the findings explore that consumers seemed to choose all of these brands due to its reasonable price and the price had significant effect on brand choice decision of Hermes, Chanel & Louis Vuitton. According to Kotler and Armstrong (2008) price is another influential element to the decision making of consumers. The price is coherent with the consumer behavior towards the products including their interests on them (Jakkaew, 2015). The brand which offers the products at the affordable level of price for their target customers tend to successfully generate the sales of such products. Hermes, Chanel and Louis Vuitton are famous brand for bags which charge the product price very high.

Therefore, their customers automatically focus on price as the relevant consideration whether they would purchase for the offered bags or not. Meanwhile, process was another marketing element found having significant effect on brand choice decision of Hermes, Chanel & Louis Vuitton. The process represents the professionalism of the brand in dealing with multi-management within the organization. The processes of three brand bags could refer to the services of these brand store in delivering the best service quality to the visiting customers. Consumers seemed to choose Chanel due to its impressive pre-sale & post-sale

services. Therefore, it shows that the customers of the brand were concerned to that the brand actively responds to customer's problem. Service quality meets the acceptable standard and beyond the customers' expectation including sales to end and delivery service process. Kotler and Armstrong (2008) noted that the process was convincing the consumers to believe that the brand did include the well-practiced management as the organization's value to deliver to consumers and thus this created the trust in brand as well.

More than this, the consumers of Hermes, Chanel & Louis also considered promotion as the element having significant effect on brand choice decision of their brand choice. This supports the study by Atthasak (2016) who previously studied about the factors influencing buyer's decisions towards women's brand name footwear and bags via online shopping. Promotional campaigns were associated with the interests of consumers towards the product of brand. Kotler and Armstrong (2008) stated that some consumers were sensitive to the promotion as they believed the promotion deals offered the product without any sacrificing its quality. For the personal, it also had the significant effect on brand choice decision of Hermes, Chanel & Louis Vuitton as well. The personnel represented as the staff of the brand stores who delivered the service to the brand customers. This presents that the brand bags must not ignore the quality of training program because it is associated with how the staff take care of their loyal customers. The study also noted the physical factors to significantly affect to the brand choice decision of these bag brands. The physical factors in the case refer to the physical stores of the brand which team with the good ambience and surrounding within, creating shopping atmosphere for the customers.

Therefore, it can be said that the brand should consider promoting the various factors in marketing mix (7Ps) which consist of product, price, promotion, personnel, process and physical evidence in order to increase the buying decision of consumers to their products. They need to rely on product quality and development and consider whether the product price fits its value giving to consumers. Meanwhile, they should not ignore the promotion which is well-said to boost the interest of consumers for the products. The brands also need to leverage and maintain the quality of staff through the training program to ensure they could give the promised service to customers. The proper décor and design of the place might contribute to the positive ambience and attract the customers to visit and buy something from them.

Managerial Implications

As this study focuses on the roles of factors in association with the behavior of consumers including the decision making and investigate the buying decision process of consumers when they are considering purchasing the products, thus this study can be used the guideline for the organizations to launch for their strategic plan and management especially the organization who seek for the contribution to leverage the sales of product. The study considers many practical ideas and sets in form of hypotheses. To apply the study, the organization could alternative their marketing plan following the result of the hypotheses testing.

Recommendations for Future Studies

This research aims to study the buying behavior of the customers when they purchase branded handbags which include Hermes, Chanel & Louis Vuitton by investigating the key factors which have the significant influence on their buying decision. The future studies shall consider exploring the consumers of other brands. More importantly, since this research is the quantitative study which make the study lack the interpretation of the response, so the researcher recommends the future researchers to include qualitative study which allows the researcher to access more of insights from the respondents.

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Brand Effect (Lifestyle Socialized, Outgoing , Metro, Urban Sport)								
Demographic Factors (Age, Occupation, Marital Status and Job Position)								

Q3. Rate the following statement towards the factors which affect your brand choice in question no.2

(1 = strongly disagree, 2 = somewhat disagree, 3 = neutral, 4 = agree and 5 = strongly agree)

Level of Agreement	1	2	3	4	5
3.1 Product					
Product has high quality.					
Product is uniquely design.					
Product has unique raw material.					
Product has limited edition.					
3.2 Price					
I purchase this bag because of price signaling status.					
The product price is reasonable.					
3.3 Process					
The brand actively responds to customer's problem.					
Service quality meets the acceptable standard.					
Service is always beyond expectation.					
Impressive pre-sale & post sale service.					
End to end selling & delivery					

process.					
3.4 Promotion					
I buy the product because the brand never had the promotion.					
I buy the product because the brand often launches the promotion.					
3.5 Personnel					
Staff are willing to help customers when they need some assistance.					
Staff have the positive attitude towards delivering service to customers.					
Staff always have professional & attractive appeal.					
3.6 Place					
The brand provides various channels for selling products.					
The stores are located in easily accessed areas.					
The store location is exclusive.					
3.7 Physical Factors					
The stores are hygienic and well-designed.					
The in-store environment convinces the decision to buy the products.					
The store interior is always elegance & luxury.					

3.8 Buying Behavior					
I often buy the products because of brand name.					
I consider myself as the heavy spender.					
3.9 Brand Effect					
The brand personality can actively reflect my characters.					
I have favorable experiences and association with the brand.(BA)					
I always prefer this brand. (BF)					
I am loyal to this brand. (BL)					
I purchase this brand due to social pressure.					
3.10 Lifestyle					
My brand choice suits my social lifestyle.					
I enjoy using the brand which supports my working lifestyle.					
This brand fits with my personal lifestyle.					
3.11 Demographic Factors					
I select the brand based on my income level.					
My marital status affects my brand choice.					
My career influences my brand choice.					

Q4.**Gender**

- Men
- Female

Age

- 20 years old or lower
- 21-25 years old
- 26-30 years old
- 31-40 years old
- 40 years old or over

Educations

- High school/ Vocational School
- Undergraduate
- Graduate
- Master/Doctoral Degree

Income (Monthly Average)

- 15,000 Baht or lower
- 15,001-20,000 Baht
- 20,001-30,000 Baht
- 30,001-40,000 Baht
- 40,001 Baht or over

Marital Status

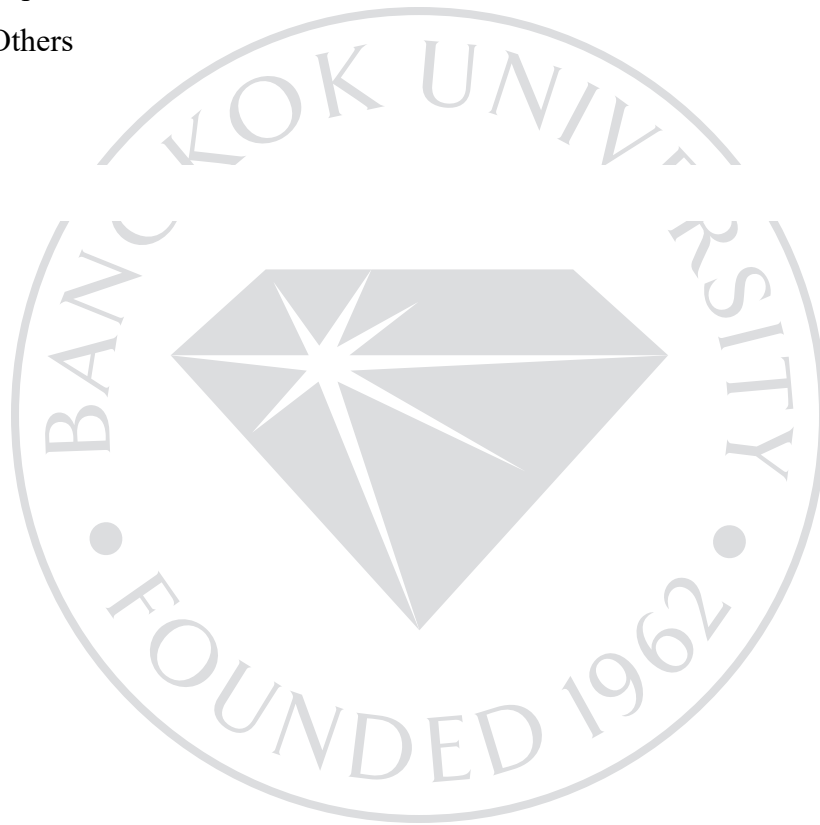
- Married
- Single

Family Size

- Less than four members
- Four members or over

Job Position

- Top Management
- Middle Management
- Supervisor
- Others



APPENDIX B:

Content Validity

To prove the consistency of the question, the researcher using Index of Item Objective Congruence method (IOC) to calculate the consistency between questions and objective. The consistency index value will be accepted the value at 0.5 or above, and the equation is:

$$IOC = \frac{\sum R}{N}$$

N

IOC = consistency between the objective and questions.

$\sum R$ = total assessment points given from all qualified experts.

N = number of qualified experts.

Index of Item–Objective Congruence (IOC) from three experts result are as follows:

No	Expert 1 Piyawan Leelasompob (Vise President Marketing Central Group)			Expert 2 Tippapun Rattanakorn (Account Director Chuo Senko)			Expert 3 Dolporn Charindhorn (Client Service Director Chuo Senko)			Total Score	IOC= $(\sum R)/N$	Total Score Σ
	1	0	-1	1	0	-1	1	0	-1			
1		0		1			1			2	0.67	Acceptable
2.1	1			1				0		2	0.67	Acceptable
2.2	1			1				0		2	0.67	Acceptable
2.3		0		1			1			2	0.67	Acceptable

2.4	1			0		1		1	0.67	Acceptable
2.5		0	1			1		2	0.67	Acceptable
2.6		0	1			1		2	0.67	Acceptable
2.7		0	1			1		2	0.67	Acceptable
2.8		0	1			1		2	0.67	Acceptable
2.9		0	1			1		2	0.67	Acceptable
2.10		0	1			1		2	0.67	Acceptable
3.1.1	1		1			1		3	1	Acceptable
3.1.2	1		1			1		3	1	Acceptable
3.1.3	1		1			1		3	1	Acceptable
3.1.4	1		1		0			2	0.67	Acceptable
3.2.1		0	1			1		2	0.67	Acceptable
3.2.2	1			0		1		1	0.67	Acceptable
3.3.1	1			0		1		1	0.67	Acceptable
3.3.2	1		1			1		2	0.67	Acceptable
3.3.3		0	1			1		2	0.67	Acceptable
3.3.4		0	1			1		2	0.67	Acceptable
3.3.5	1			0		1		1	0.67	Acceptable
3.4.1	1			0		1		1	0.67	Acceptable
3.4.2	1			0		1		1	0.67	Acceptable
3.5.1		0	1			1		2	0.67	Acceptable
3.5.2	1			0		1		1	0.67	Acceptable
3.5.3	1		1			1		3	1	Acceptable

3.6.1	1			0		1		2	0.67	Acceptable
3.6.2	1			0		1		1	0.67	Acceptable
3.6.3	1		1			1		3	1	Acceptable
3.7.1		0		1		1		2	0.67	Acceptable
3.7.2	1		1			1		3	1	Acceptable
3.7.3	1		1			1		3	1	Acceptable
3.8.1	1			0		1		1	0.67	Acceptable
3.8.2	1			0		1		1	0.67	Acceptable
3.8.3	1			0		1		1	0.67	Acceptable
3.9.1	1		1			1		3	1	Acceptable
3.9.2	1		1			1		3	1	Acceptable
3.9.3	1		1			1		3	1	Acceptable
3.9.4	1			0		1		2	0.67	Acceptable
3.9.5	1			0		1		2	0.67	Acceptable
3.10.1	1		1			1		3	1	Acceptable
3.10.2	1		1			1		3	1	Acceptable
3.10.3	1		1			1		3	1	Acceptable
3.11.1		0		1		1		2	0.67	Acceptable
3.11.2		0		1		1		2	0.67	Acceptable
3.11.3		0		1		1		2	0.67	Acceptable
4.1	1		1					2	0.67	Acceptable
4.2	1			0		1		2	0.67	Acceptable
4.3	1		1			1		3	1	Acceptable

4.4	1				0		1			1	0.67	Acceptable
4.5		0		1			1			2	0.67	Acceptable
4.6		0		1			1			2	0.67	Acceptable
4.7	1			1			1			3	1	Acceptable

There are three levels of assessment point:

- +1 means the question is certainly consistent
- 0 means the question is unsure to be consistent
- -1 means the question is inconsistent

Where:

IOC = consistency between the objective and questions.

ΣR = total assessment points given from all qualified experts.

N = number of qualified experts

Therefore $IOC = 41.13/54$
 $= 0.762$

The assessment result is equal 0.762, and there are thirteen questions that have IOC index less than 0.5.

Reliability

Reliability Statistics

Cronbach's Alpha	N of Items
.929	54

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