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FACTORS AFFECTING PURCHASING DECISION OF COMMUNITY PRODUCTS IN RANONG PROVINCE

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Abstract. This research aimed to study the factors that affected purchasing decision of community products in Ranong province. The research instrument utilized was a quantitative questionnaire which surveyed about the factors that affected purchasing decision of community products by using the methods of check list and frequency then researchers summarized data as percentage. Outcomes of the research revealed that (1) 41.52% of the respondents recognized community products from friends where 19.34% of them recognized community products by a coincidence (2) the most influential person(s) on purchasing decision was oneself that was equivalent to 51.45% followed by friends/colleagues which accounted for 20.38% (3) 60.50% of respondents purchased community products as souvenirs (4) 44.15% of informants purchased community products from communities/community enterprises/OTOP centers where 35.28% of them purchased community products from OTOP fairs (5) the best seller of community products were food products which accounted for 57.02% where 14.87% were household appliances/decorating products and souvenirs (6) the main reason of purchasing community products was the application of villagers' local wisdom which accounted for 25.98% while help supporting career-building of villagers and the usage of natural resources and raw materials were accounted for 22.83% (7) 34.41% of respondents have known Food and Drug Administration (FDA) and Halal where 32.47% of informants have known Thai Industrial Standards (TIS) (8) 62.00% of respondents purchased only certified community products that received recognized standard.

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INTRODUCTION

Community products or so-called One Tambon One Products (OTOPs) originated from indigenous wisdom of people in community which reflects their cultural roots and lifestyles. An existence of community products helps generating income and creating economic benefit within a community. In order to do so, community must change itself from a producer to a small company which has integrated functions of management, administration, finance and accounting, quality control, packaging and modern design, and must be a flexible market dealer. However, in the current situation, community products cannot compete with quality of SMEs' products since the locals are unable to develop their products to meet the needs of the customers who are the tourists from cities and foreigners who have high purchasing power (Pranee, 2015). Meanwhile, a community still lacks management skill and knowledge thus community products cannot reach OTOP quality standard. Because of such restrictions, the growth in number of sales belongs to SMEs who are the most potential sellers in developing markets. The major obstacle is the villagers having no opportunity to learn about external markets so they produce community goods according to indigenous wisdom they have only. Thus, it prevents them from improving in learning process and makes difficult to adapt the products to answer the needs of customers

who crave for style, pattern and quality. As a result, other seller groups who have more potential are gradually going to replace the community products (Intan, 2016; Ayuningrat, Noermijati & Hadiwidjojo, 2016).

The study of factors affecting purchasing decision of community products in Ranong province offered information and guideline to develop community and community products in Ranong province to become more recognizable by customers and finally create the competitive advantage for community products.

METHODOLOGY

This research aimed to study factors that affected purchasing decision of community products in Ranong province. The studied population and the sample group were the customers who purchased or used community products in Ranong province. However, it was unable to identify exact number of the population so the researcher used Taro Yamane formula to determine the sample size with the estimated proportion of population of 0.5 at the confidence level of 95%. The sample size was 400 samples in total. The researchers utilized the method of convenience sampling (Yamane, 1973).

This study was the quantitative research and the researchers

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used questionnaire as the research instrument surveying about factors affecting purchasing decision of community products in Ranong province. The questionnaire was composed of 4 parts as were described below:

Part 1: Personal information of respondents; the researchers developed a checklist section by utilizing descriptive statistics and then interpreted data in terms of frequency and percentage.

Part 2: Purchasing decision of community products in Ranong province; the researchers developed a checklist section by utilizing frequency method and then interpreted data in terms of percentage.

Part 3: Opinions towards community products; the researchers developed a checklist section by utilizing frequency method and then interpreted data in terms of percentage.

Part 4: Suggestions; the researchers developed an open-ended section by using content analysis method.

FINDINGS

Personal Information of Respondents

There were 400 respondents in total where 67.00% of them were female, mostly aged from 21-30 years old that accounted for 31.00% while 25.00% aged from 31-40 years old, 47.75% were married and 46.25% were single, the majority worked for government sectors and state enterprises that was equivalent to 48.00% while 21.00% were private sector employees, 31% of them had average income of 5,001-10,000 Baht per month while 28% of respondents had average income of 10,001-15,000 Baht per month.

Purchasing Decision of Community Products in Ranong Province

The findings were illustrated as shown in the table 1 below:

TABLE 1
Purchasing Decision of Community Products in Ranong Province

Information about Purchasing Decision of Community Products in Ranong Province	Quantity	Percentage(100.00)
1. Where did you recognize community products from?		
Friends	191	41.52
Brochures/leaflets	40	8.69
Billboards	36	7.82
Community newspapers	16	3.47
Radios	44	9.56
Coincidence	89	19.34
Others (Example; a community resident)	44	9.56
2. Who was the most influential person towards your purchasing decision?		
Friends/Colleagues	84	20.38
Families	56	13.59
Cousins	40	9.70
Neighbors	20	4.85
Myself	212	51.45
Others	0	0.00
3. What was your purpose of purchasing community products?		
Souvenirs	288	60.50
Guest/Customer/Friend Receptions	56	11.76
Eating	132	27.73
Others	0	0.00
4. Where did you purchase community products from?		
OTOP Fairs	151	35.28
Communities/community enterprises/OTOP centers	189	44.15
Convenience stores/shops	48	11.21
Department stores	40	9.34
Others	0	0.00
5. What kind of community products have you purchased?		
Foods	276	57.02
Beverages	68	14.04
Textiles and Apparels	40	8.26
household appliances/decorating products/and souvenirs	72	14.87
Herb products (Not food and drug)	28	5.78
Others	0	0.00
6. Why did you purchase community products?		
Application of villagers' community wisdom	132	25.98
supporting career-building of villagers	116	22.83
Usage of natural resources and raw materials	116	22.83
Reasonable price	72	14.17
Quality and standard of community products	68	13.38
Others (Example; Reflection of community identity)	4	0.78
7. Which standard(s) for community products do you recognize? (could choose more than 1 answer)		
Thai Industrial Standards (TIS)	201	32.47
Food and Drug Administration (FDA) and Halal	213	34.41
Good Manufacturing Practice (GMP)	86	13.89
Thai community product standard	119	19.22
Others	0	0.00
8. Did you choose to purchase only standardized products?		
Yes, I purchased only certified community products that received recognized standard.	248	62.00
No, I purchased community products regardless of the receiving of recognized standard	136	34.00
Others (Example; purchased community products because knowing the salesman)	16	4.00

From table 1; (1) 41.52% of the respondents recognized community products from friends where 19.34% of them recognized community products by a coincidence (2) the most influential person(s) on purchasing decision was oneself that was equivalent to 51.45% followed by friends/colleagues which accounted for 20.38% (3) 60.50% of respondents purchased community products as souvenirs (4) 44.15% of informants purchased community products from communities/community enterprises/OTOP centers where 35.28% of them purchased community products from OTOP fairs (5) the best seller of community products were food products which accounted for 57.02% where 14.87% were household appliances/decorating products/ souvenirs (6) the main reason of purchasing com-

munity products was the application of villagers local wisdom which accounted for 25.98% while help supporting career-building of villagers and the usage of natural resources and raw materials were accounted for 22.83% (7) 34.41% of respondents have known Food and Drug Administration (FDA) and Halal where 32.47% of informants have known Thai Industrial Standards (TIS) (8) 62.00% of respondents purchased only certified community products that received recognized standard.

Opinions towards Community Products

Information was collected from 400 questionnaire respondents and the findings were illustrated as shown in the table 2 below:

TABLE 2
Opinions towards Community Products

Community Products	Opinion Level					Total	\bar{X}	S.D.
	Highest	High	Moderate	Low	Lowest			
Dimension-Products								
1. Benefit of product	39.00	46.00	15.00	0.00	0.00	100	4.24	0.695
2. Quality of product	36.00	47.00	16.00	1.00	0.00	100	4.18	0.727
3. Style of product	28.00	42.00	29.00	1.00	0.00	100	3.97	0.781
4. Beauty and durability of packaging	21.00	43.00	34.00	2.00	0.00	100	3.83	0.776
5. Variety of product	17.00	46.00	33.00	4.00	0.00	100	3.76	0.777
6. Clear description of product label	23.00	42.00	31.00	3.00	1.00	100	3.83	0.850
7. Brand	18.00	46.00	33.00	3.00	0.00	100	3.79	0.766
8. Color and beauty of product	15.00	45.00	38.00	2.00	0.00	100	3.73	0.734
9. Innovation of product	21.00	38.00	35.00	5.00	1.00	100	3.73	0.883
Dimension-Price								
1. Lower price	12.00	43.00	39.00	3.00	3.00	100	3.58	0.852
2. Reasonable price	19.00	46.00	34.00	0.00	1.00	100	3.82	0.768
3. Negotiable price	18.00	41.00	32.00	5.00	4.00	100	3.64	0.966
4. Discountable from regular price	18.00	34.00	36.00	9.00	3.00	100	3.55	0.985
5. Clear price label	27.00	45.00	25.00	3.00	0.00	100	3.96	0.800
Dimension-Distribution channel (Place)								
1. Location of distribution channel	19.00	45.00	32.00	3.00	1.00	100	3.78	0.821
2. Hygiene of distribution channel	24.00	46.00	28.00	2.00	0.00	100	3.92	0.771
3. Convenience access	23.00	49.00	26.00	2.00	0.00	100	3.93	0.753
4. Appropriate product placement inside distribution channel and products are easy to handle	24.00	52.00	21.00	2.00	1.00	100	3.96	0.787
5. Pleasant atmosphere of distribution channel	22.00	47.00	30.00	1.00	0.00	100	3.90	0.743
6. Adequate parking lot	24.00	41.00	24.00	11.00	0.00	100	3.78	0.935
Dimension-Promotion								
1. Product trial	20.00	34.00	36.00	7.00	3.00	100	3.61	0.980
2. Promotional activities (discount/redemption/giveaway/premium)	20.00	34.00	28.00	14.00	4.00	100	3.52	1.083
3. Advertising and Public relations	23.00	34.00	28.00	11.00	4.00	100	3.61	1.077
4. Print advertising for introducing the products	24.00	32.00	26.00	12.00	6.00	100	3.56	1.153

According to table 2, it was found out that;

Products

The opinions of respondents towards the product dimension of community products were as follows:

- **Benefit of Product**
Respondents' opinions were at high level which was accounted for 46.00% and overall average was at high level ($\bar{X} = 4.24$, S.D = .695)
- **Quality of Product**
Respondents' opinions were at high level which was accounted for 47.00% and overall average was at high level ($\bar{X} = 4.18$, S.D = .727) 1.3)
- **Style of Product**
Respondents' opinions were at high level which was accounted for 42.00% and overall average was at high level ($\bar{X} = 3.97$, S.D = .695)
- **Beauty and durability of packaging;** Respondents' opinions were at high level which was accounted for 43.00% and overall average was at high level ($\bar{X} = 3.83$, S.D = .776)
- **Variety of Products**
Respondents' opinions were at high level which was accounted for 46.00% and overall average was at high level ($\bar{X} = 3.76$, S.D = .777)
- **Clear Description of the Product Label**
Respondents' opinions were at high level which was accounted for 42.00% and overall average was at high level ($\bar{X} = 3.83$, S.D = .850)
- **Brand**
Respondents' opinions were at high level which was accounted for 46.00% and overall average was at high level ($\bar{X} = 3.79$, S.D = .766)
- **Colorfulness and Beauty of Products**
Respondents' opinions were at high level which was accounted for 45.00% and overall average was at high level ($\bar{X} = 3.73$, S.D = .734)
- **Innovation of Product**
Respondents' opinions were at high level which was accounted for 38.00% and overall average was at high level ($\bar{X} = 3.73$, S.D = .883)

Price

The opinions of respondents towards the price dimension of community products were as follows

- **Lower Price**
Respondents' opinions were at high level which was accounted for 43.00% and overall average was at high level ($\bar{X} = 3.58$, S.D = .852)

- **Reasonable Price**
Respondents' opinions were at high level which was accounted for 46.00% and overall average was at high level ($\bar{X} = 3.82$, S.D = .768) 2.3)
- **Negotiable Price**
Respondents' opinions were at high level which was accounted for 41.00% and overall average was at high level ($\bar{X} = 3.64$, S.D = .966) 2.4)
- **Discountable from Regular Price**
Respondents' opinions were at moderate level which was accounted for 36.00% and overall average was at high level ($\bar{X} = 3.55$, S.D = .985)
- **Clear Price Label**
Respondents' opinions were at high level which was accounted for 45.00% and overall average was at high level ($\bar{X} = 3.96$, S.D = .800)

Distribution Channel (Place)

Opinions of respondents towards the distribution channel dimension of community products were as follows:

- **Location of Distribution Channel**
Respondents' opinions were at high level which was accounted for 45.00% and overall average was at high level ($\bar{X} = 3.78$, S.D = .821)
- **Hygiene of Distribution Channel**
Respondents' opinions were at high level which was accounted for 46.00% and overall average was at high level ($\bar{X} = 3.92$, S.D = .771)
- **Convenience of Access**
Respondents' opinions were at high level which was accounted for 49.00% and overall average was at high level ($\bar{X} = 3.93$, S.D = .753)
- **Appropriate product placement inside distribution channel and products are easy to handle;** Respondents' opinions were at high level which was accounted for 52.00% and overall average was at high level ($\bar{X} = 3.96$, S.D = .787)
- **Pleasant Atmosphere of Distribution Channel**
Respondents' opinions were at high level which was accounted for 47.00% and overall average was at high level ($\bar{X} = 3.90$, S.D = .743)
- **Adequate Parking Lot**
Respondents' opinions were at high level which was accounted for 41.00% and overall average was at high level ($\bar{X} = 3.78$, S.D = .935).

Promotion

Opinions of respondents towards the promotion dimension of community products were as follows:

- **Product Trial**
Respondents' opinions were at moderate level which was accounted for 36.00% and overall average was at high level ($\bar{X} = 3.61$, S.D = .980)
- **Promotional Activities**
(discount/redemption/giveaway/premium);
Respondents' opinions were at high level which was accounted for 34.00% and overall average was at high level ($\bar{X} = 3.52$, S.D = 1.083)
- **Advertising and Public Relations**
Respondents' opinions were at high level which was accounted for 34.00% and overall average was at high level ($\bar{X} = 3.61$, S.D = 1.077)
- **Print Advertising for Introducing the Products**
Respondents' opinions were at high level which was accounted for 32.00% and overall average was at high level ($\bar{X} = 3.56$, S.D = 1.153).

RESULTS AND DISCUSSION

This research aimed to study the factors that affected purchasing decision of community products in Ranong province. The utilized research instrument was the quantitative questionnaire which surveyed about the factors that affected purchasing decision of community products by using the methods of check list and frequency then summarized data in terms of percentage. However, it was unable to identify exact number of the population so the researcher used Taro Yamane formula to determine the sample size with the estimated proportion of population of

0.5 at the confidence level of 95%. The sample size was 400 samples in total (Yamane, 1973). The researchers exploited the method of convenience sampling and the questionnaire was applied to all 400 samples which complied with the research of Tounoi (2012) who studied about the operation of the community products and the effects of the standardized products that were certified by Thai community product standard. The samples of the research were community products that were certified by Thai community product standard with the sample size of 338. The research instruments used were questionnaires and interviews and researchers statistically interpreted data in terms of percentage and average. Moreover, it was in accordance with the research of Mekhum (2011) who studied about the increasing capacity of OTOP entrepreneur to achieve Thai community product standard based on local wisdom. Also, it was consistent with the Research of Yongrupraphan (2004) who studied about small and micro community enterprises and self-reliance, case studies: the processing of palm products, Ban Lao Kwan community, Toe-tae sub district, Wat Bot district, Phitsanulok province. Moreover, it complied with the research of Homwuttipong (2009) who studied about factors affecting the certified product of Thai community product standard, Phayao province.

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