

CHAPTER ONE

INTRODUCTION

1.1 BACKGROUND OF THE PROBLEM

Toothpaste is one of essential products that people use everyday. When we wander into the toothpaste aisle at any shops today, we are probably bombarded with many different brands of toothpaste that are making numerous different claims about the results we will see if we use them. Some of the different brands claim that they can whiten our teeth, freshen our breath, destroy plaque, protect gums, and nurture sensitive teeth. Companies try to attract consumers by adopting other ingredients in their toothpaste. Some of these include fluoride, triclosan, herbs, salt, and mint. Marketing strategies such as advertising or promotion are other ways to convince people to purchase their products.

The toothpaste market had a total market value in 2008 of approximately 5.1 billion Baht, with 4% growth from 2007 (จำรัส, 2551, น.23). The toothpaste market consists of eight segments (Aziam Burson-Marsteller, 2007) including herbal toothpastes (27.6% of the total market), regular flavored toothpastes (18%), breath-freshening toothpastes (28.9%), multi-benefit toothpastes (6.1%), whitening toothpastes (6.9%), sensitive toothpastes (3.9%), children's toothpastes (3.5%), and others (5.1%). The toothpaste market has a variety of brands, formulas, and prices with high competition for market leader and gain in the most market share. Though being the market leader, a marketer cannot stand still but has to try his/her best to maintain the leading position in the market for as long as possible, while trying hard to get even more market share. For ones that have not been market leaders, they need to find out new strategies or other ideas to achieve the goal. To gain higher net sales, marketers need to design their own strategies to attract more and more consumers. Several methods include brand image building and strengthening; price strategies; product positioning for all distribution channels all over the country to avoid supply shortage; product promotion; advertising new product launches; new promotion introductions. For example, Fluocaril gained a new segment (สยามธุรกิจ, 2551): consumers aged 40 up. Some brands have celebrities to be product presenters to attract consumers, e.g., Salt toothpaste has Mom Luang Pluem Nattakorn Thevakul,

Sensodyne toothpaste has Umm Atichart as a presenter (บริษัทไทย, 2551), while Colgate launched a campaign: Free Oral Health Check-Up at participated dental clinics from October 1-31, 2008 (Colgate, 2008) under the theme “Land of Zero Cavity Smiles”. All of the above are just some examples of marketing strategies to gain as much market share as possible.

In this research study, the purpose is to find out the factors that actually influence the purchase intent of consumers in the Bangkok area. The target group is consumers aged 25 up since they have their own decision on purchasing toothpaste for themselves and families, so they can be representatives of target consumers. The questionnaire was aimed to ask people who work in the Bangkok area. The research results can be used as a guideline for further study to adjust the marketing strategy effectively to attract more consumers.

1.2 STATEMENT OF THE PROBLEM

Main question

This study is aimed to answer the following question:

What are the factors that influence the decision on purchasing toothpaste of customers aged over 25 years in the Bangkok area?

Sub questions

The sub questions are as follows:

- 1) What opinion on the influence of the 4 components of marketing mix do customers aged over 25 years in the Bangkok area have?
- 2) What personal factors, i.e. marital status, educational level, occupation, and salary are related to the decision to purchase toothpaste?

1.3 OBJECTIVES OF THE STUDY

Main objective

To explore the factors that influence the decision on purchasing toothpaste of customers aged over 25 years in the Bangkok area.

Sub objective

The sub objectives of the study are as follows:

1) To investigate opinions on influence of the 4 components of marketing mix of customers aged over 25 years in the Bangkok area.

2) To investigate respondents' personal factors, i.e. marital status, educational level, occupation, and salary, and find out if they are related to the decision to purchase the toothpaste.

1.4 HYPOTHESES

Customers with different demographic and personal backgrounds: gender, age, marital status, educational level, occupation, and salary have different opinions on factors influencing their decisions on purchasing toothpaste.

1.5 DEFINITIONS OF TERMS

1) **Toothpaste customers** refer to people aged over 25 years in the Bangkok area who buy toothpaste for themselves or their families.

2) **Purchasing decision of toothpaste of customers aged over 25 years in the Bangkok area** refers to the consumers' attitudes toward the influence of the four components of the marketing mix: product, price, place, and promotion on their decisions.

3) **Product** refers to any brand of toothpaste such as Colgate, Salz, Dentiste, Close-up, Twin Lotus, Sensodyne, or Darlie, etc. and any formula such as anti-cavities, salt, breath fresh, herbal, sensitive, or whitening, etc.

4) **Information channels** refer to the ways that the customers aged over 25 years in the Bangkok area receive information about toothpaste and use such information to make their decisions to buy toothpaste. In this study, there are two channels: people (friends, family or relatives, well-known people, and dentists) and mass media (TV, radio, magazines, newspapers, billboards, and Internet).

5) **Place** refers to shops, supermarkets, etc. where the respondents aged over 25 buy the toothpaste: Tesco Lotus, Carrefour, Big C, Tops, 7-11, grocery stores, Watson, Boots, etc.

6) **Educational level** means the highest educational level of the respondents such as primary school, junior high school, senior high school, higher vocational school, Bachelor's degree, or higher than Bachelor's degree.

7) **Occupation** means any primary job of the respondents such as a private company employee, a government officer or a state enterprise employee, a business owner, a housewife, freelance, etc.

8) **Personal salary** means the total revenue per month of the respondents.

9) **Promotion** means any activities to increase sales volume such as premium, a discount coupon, a special package with a special price, a prize or reward, etc.

1.6 SCOPE OF THE STUDY

This research includes people aged over 25 years in the Bangkok area. The data were collected through questionnaires from 120 people including both male and female consumers. The purpose of this survey was to study people aged 25 up since they are the working groups who have buying power of toothpaste for themselves & their families.

1.7 SIGNIFICANCE OF THE STUDY

The results of the survey are aimed to provide useful information for companies to select the right channel to reach target customer groups and to set appropriate marketing strategies to gain more market share.

1.8 ORGANISATION OF THE STUDY

This study is divided into five chapters. The first chapter introduces the background, statement of the problem, objectives of the study, definitions of terms, and significance of the study. The second presents a review of related literature about the decision process, motivational marketing, media strategies, consumers' buying behavior, segmenting dimensions, and marketing mix. The third illustrates descriptive procedures undertaken to collect and analyze the data. The fourth consists of the findings from the survey conducted through the interviews and data analysis from the questionnaire. And the last chapter consists of a summary, discussions, and recommendations for further study.