

ABSTRACT

Abstract of thesis submitted to the Graduate School of Maejo University in partial fulfillment of the requirements for the degree of Master of Business Administration in Business Administration

MARKET OF BOTTLED DRINKING WATER IN CHIANG MAI MUNICIPALITY

By

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Objectives of the study on market of bottled drinking water in Chiang Mai municipality were as follows:

1. Market conditions of bottled drinking water in Chiang Mai municipality.
2. Marketing factors affecting consumer's decision on consumption of bottled drinking water in Chiang Mai municipality.

The study of market conditions of bottled drinking water was to investigate the producers' view of market conditions and to identify the marketing mix to which the producers offered the market. The source of information were 60 producers whose plants located in the area along both sides of the Ping River. The data was collected by scheduled interviewing method.

The study of factors affecting consumer's decision on consumption of bottled drinking water was to investigate how the marketing mix offered to the market affected the consumption decision making of the consumers. The source of information were the 382 multi-stage selected consumers from 4 precincts in the municipality i.e.

Nakornping precinct, Kaweela precinct, Meng Rai precinct and Srivichai precinct. The data was collected by questionnaire correspond to the research objectives and for descriptive statistics, t-test and F-test by SPSS/PC⁺. The findings were as follows:

1. Market conditions of bottled drinking water:

The producers estimated tremendous market competition in the future while insisting on their standard of production. The marketing mix offered to the consumers composed of:

a. Product: Each producer offered to produce drinking water at the quality standard declared by the Ministry of Health.

b. Price: Most of the producers did not analyze the cost of production prior to the price setting. Price decision was done and fluctuated in according to the market prices.

c. Distribution: Most of the producers delivered their product to the consumers.

d. Promotion: Most of the producers provided their promotion through the direct distributors.

2. Marketing factor affecting consumer's consumption decision making:

Factors affecting consumption decision making of the consumers could be divided based on market factors as follows:

a. Product affected consumption decision moderately. The consumers considered the hygienic quality and source of the water for their decision.

b. Price affected consumption decision moderately.

c. Distribution channel affected consumer decision only moderately.

The consumer purchased their own brands at the interval of once a week through direct distributors.

d. Promotion affected consumption decision moderately.

Test of hypothesis revealed that personal factors composing of sex, age, status, occupation and education had no effect on the decision making of the consumers in the municipality of Chiang Mai.