

Online-Purchasing Behavior of Thai-Millennials for Preschool-aged Toys in Bangkok

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ABSTRACT

The purpose of this paper is to understand the online-purchasing behavior of millennials for preschool-aged toys in Bangkok. The study attempts to find a direction of preschool-toy development as consumer requirements. This research looks into the purchase intention of millennial parents, their children's needs and their willingness to buy preschool toys. This paper provides millennial's requirements of preschool toys and toy-business strategies. The study focuses on preschool toy products in an online platform context. Data is collected from 100 respondents who are Thai millennials (Generation Y) with one or more children. The proposed model is tested with online questionnaires. The analysis is done by using a descriptive statistic, factor analysis, and hypothesis testing with multiple regression to see relationships between important variables. The limitation of this study is the sampling size with 100 respondents because of the limited time to research. So, the results cannot be assumed applicable to all Thai millennials, also respondents collected the data by using an online questionnaire in Bangkok, people who cannot access the internet cannot be a respondent in this study.

Keywords: Millennial, Preschool, Toy, consumer behaviorism, behavioral economics, child's skill, toy product development

INTRODUCTION

Millennial consumerism has effects on the world economy, due to their needs for goods and services. The millennial generation or Generation Y is the largest consumer market in the world. Their behavior and preferences are the main influence in the current world economy. Their engagement in the online market has not been diminished but has increased due to globalization and the COVID-19 crisis (Hume, 2010). Only 22% of millennials are married when compared to Gen Xers at the same age and they have fewer children per family (Hume, 2010). The rate of baby birth is 51% of all millennial families in 2008 (Hume, 2010). In terms of millennial consumerism, their purchasing decision depends on the information that they receive (Hume, 2010). For example, they largely research the product's quality and price compare them to others by reading peer reviews (Hume, 2010). Also, their active lifestyles have been shown on social media. Different generations and demographic consumer groups are exposed to different types of activities, perceptions, community norms, life experiences, and events (Hume, 2010).

Consumer motivations usually depend on gender, age, education, and income, which useful in marketing (Parment, 2013). Millennial attitude has become a significant focus of consumer



research because of their potential spending power (Martin & Bush, 2000). The main users of online shopping are millennials because it offers fast shipping and consumers can read reviews from previous users (McPhee, 2020). Millennial parenting style is different from previous generations. They spend more time with their children and family even if both the father and the mother have full-time jobs (Gerson, 2020).

Therefore, millennial parents are raising children in a different way than previous generations. Preschool toys are important for children's skill development hence, millennials parents tend to do research before buying them (Gerson, 2020).

Problem Statement

Children of millennials have grown up with a working father and a working mother. However, millennial's parents spend more time with their children than the baby boomer generations. Previous research did not focus on millennial parent's behavior when they need to buy preschool toys. So, this research will analyze to understand millennial parents' online toys purchasing behavior.

Millennial

The millennial generation is generation Y —the children of the boomers, who are born between 1981 and 1996 (Hume, 2010). In 2021, they are between 25 - 40 years old.

Preschool

Preschool is an early childhood program where small children combine learning with play in a program run by professionally trained adults (Education Research, 2004). Children are most commonly enrolled in preschool between the ages of three and five, though children as young as two can attend some schools (Education Research, 2004).

Toys

U.S. law requires that toys and games for young children (age two to five) carry a warning about choking hazards (Toy Industry Association, Inc., 2013). If they include small parts, marbles, or balloons, they must be marked that they are not appropriate for children under three. Beyond toddlerhood, children begin to develop their ideas about play activities and the toys that they want. They will be influenced by what they see in advertising (Toy Industry Association, Inc., 2013).

Purpose of the Study

The purpose of this study is to examine the preschool toy online-purchasing behavior of millennial consumers in Thailand. Personal characteristics are divided into background information about the respondents.

Research Question

How does a toy business develop toy products and encourage the millennial consumer to buy preschool toys online?



LITERATURE REVIEW

Millennial Consumer Behavior

Millennials are the second-largest population in the history of the world (Ordun, 2015). Their buying power is the most important currently, and partially influenced the purchasing decision of their parents (Ordun, 2015). According to the previous researches, the criteria significantly differentiated millennials is that their buying decisions are more affected by social media, they trust the idea of influencers more than their friends (Ordun, 2015).

Millennial consumers in Asian Countries Market

More than 85 percent of the world's 2 billion millennials live in emerging markets countries, especially China, India, and Southeast Asian countries. By 2025, they will account for three out of four workers worldwide (Chakraborty, 2017). Millennials comprise about 25 percent of Southeast Asia's population of 138.80 million, mostly in Indonesia, and Vietnam (Chakraborty, 2017).

Thai toy market revenue marginally increased in 2019 from 2018 (Chaikajohndech, 2019). However, the educational toy has a marketing value of THB1,000 million with a 5% growth rate, especially brick toys with affordable price, because Thai parents want their children to pay attention to toys more than smartphones or tablets (Chaikajohndech, 2019). This market segment size is about 20-25% of the toy market (Chaikajohndech, 2019).

Online-Purchasing Behavior

The reasons that the millennials generation prefer online shopping because it offers fast shipping and more product options (44%). 40 % of the consumer does not want to leave home and another 36% say they can read other customer reviews (McPhee, 2020).

Millennial Parents Behavior

Millennials parents raise children differently than previous generations because millennial families are navigating some big societal shifts that previous generations did not experience (Kathleen, 2020). Even though both parents are working, they tend to spend more time with their family and children than Baby boomers (Gerson, 2020). Many businesses in Thailand tend to promote their products through famous influencers which depend on who are their target customers or their budget (Preaw, 2015).

Table 1: Thai Mom Influencers and number of followers

No.	Thai Mom Influencers	Followers (Million)
1	Chompoo Araya A. Hargate	10.20
2	Pat Napapa	8.80
3	Noey Chotika	6.90
4	Gubgib Sumontip Hsu	6.70
5	Opal Panisara	6.10
6	Pei Panward	6.00
7	May Fuang-arom	5.90

8	Aff Taksaorn	5.30
9	Ploy Chidjun	1.80
10	June Kasama	1.50

Source: “Stargage; Top 1000 Moms Instagram Influencers in Thailand in 2021”

The above table shows that Thai mom influencers have been in engagement with millions of followers. Most of them are Thai actresses or wives of famous actors (Stargage ,2021). The most famous Thai -mom influencer is Chompoo Araya A. Hargate, she has 2 sons with rich-business man as her husband. Her follower's number around 10.20 million people (Preaw, 2015).

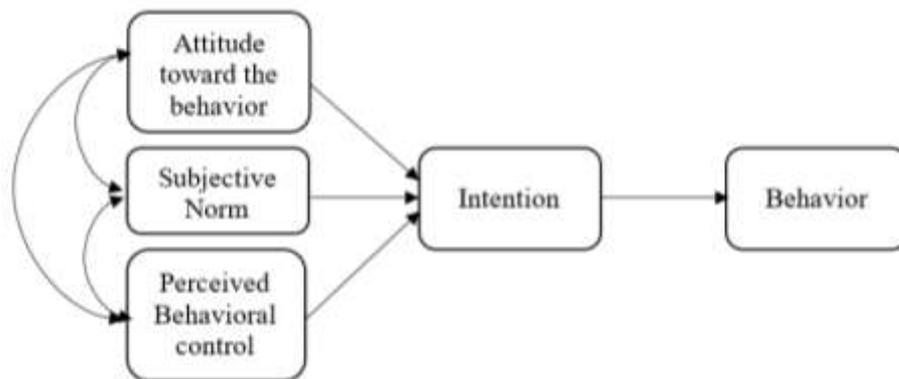


Figure1: Theory of Planned Behavior Diagram (Ajzen, 1991)

Consumer Purchasing Behavior and Decision

The theory of planned behavior by Ajzen is the main theory of the conceptual model of this research. It shows that “attitude toward behavior, subjective norms and perceived behavioral control will shape an individual’s behavior intention and behavior”. The indication of people to act a behavior is their intention. Attitude and Subjective norms are influenced by people’s intentions. (Ajzen, 1991).

RESEARCH DESIGN AND METHODOLOGY

This thesis has been primarily conducted with Thai millennial about their online toy buying behavior. This is quantitative research. This study focuses on millennial people who have child(ren). Millennials are people who are born in 1981-1996 (25-40 years old in 2021). The survey was done voluntarily and anonymously in Bangkok.

Data for the study were collected via online questionnaires created via Qualtrics.com. The question link was sent to respondents via Facebook or emails. The researchers obtained those emails and Facebook because they are friends of the researchers who introduced their friends. They are Thai, millennials and have children. The actual data of usable responses were 100 people from Bangkok. The collected data are analyzed statistically in both descriptive and inferential via the SPSS program.

Research Instrument

To conduct this research, the researchers covered several aspects of millennial opinions toward preschool toys which cover variables from related literature reviews. All the questions are closed end with a Likert scale (1-5). The scale ranges from strongly disagree to strongly agree.

Research Approaches

This research approaches use a deductive approach because this approach target to test theories that start with hypotheses setting and evaluate those hypotheses with Multiple Regression.

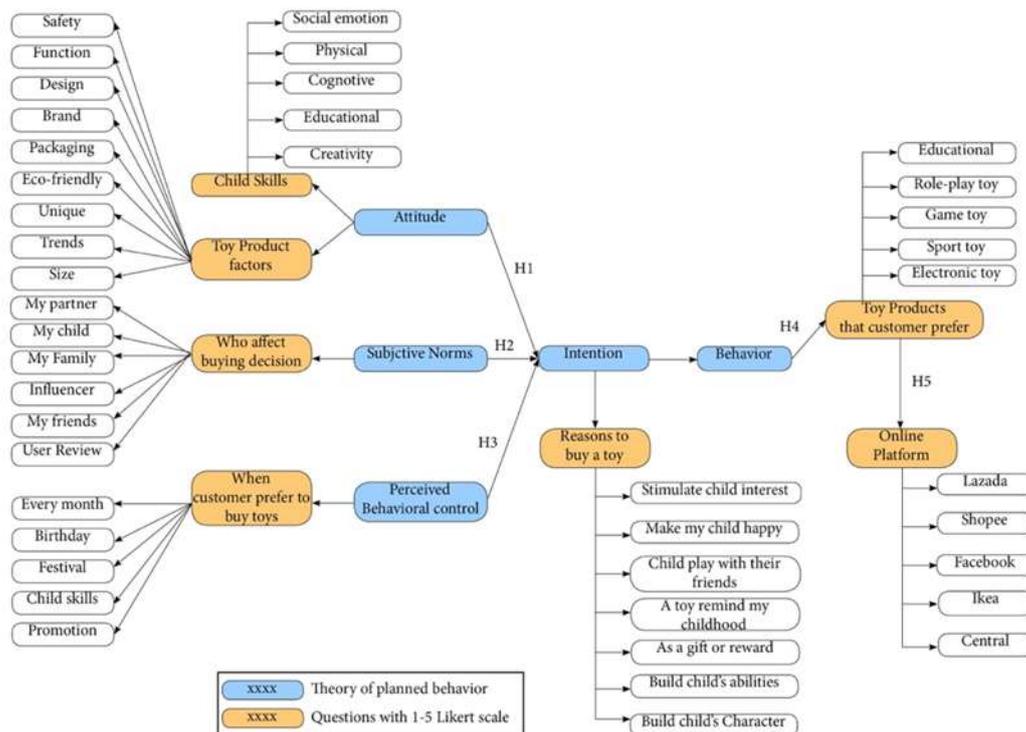


Figure 2: Researcher's Conceptual Framework (Own Creation, 2021)

Data Collection

The collected data are analyzed statistically in both descriptive and inferential via the SPSS program in the following way.

1. Creating a conceptual framework based on the theory of planned behavior and marketing mixed (4Ps).
2. Conducting variables of each group from literature reviews.
3. Generating questionnaires that are closed end with Likert scale (1-5) which range from strongly disagree to strongly agree.
4. After data was collected. Exported a file in an excel format.
5. Calculate data as a descriptive table to see average and standard deviation values.

Analysis and Statistic Techniques

This study has been applied in the descriptive and inferential analysis. The descriptive analysis is used for describing, showing, and summarize data. The inferential statistic is used for analyzing data sets and drawing a conclusion from the questionnaire.

1. Select the top 3 highest mean values of each group.
2. Measure variables by using Factor Analysis which is KMO and Bartlett's test to select important variables
3. Examine 5 hypotheses by Multiple Regression.
4. Evaluate and interpret information from the SPSS tables.
5. Conclude outcomes of each hypothesis, which one is rejected or not rejected.

CONCLUSION, IMPLICATIONS, AND RECOMMENDATIONS

Conclusion

This research aims to find the important variables which impact preschool toy online-purchasing behavior of millennial consumers in Bangkok. The online questionnaire is the tool using for collecting primary data collected from 100 respondents. To interpret that information, using the SPSS program to generate statistical results. The result indicated that most respondents are Thai females aged 26-30 years old, with a bachelor's degree, and has a nuclear family of one child about –one year-old, toy budget per piece is THB500, and their family income is THB 40,000-80,000 per month.

Regarding millennial consumer requirement toward toys has been explored with their partners and online reviews are the most affected on their buying decision. They are concerned with safety as the priority of toys, along with function and design. However, brand, packaging, and eco-friendliness are the additional factors that consumers considered. Skills that millennial parents expect from toys that their child develop creativity, and cognitive skills. When buy a toy, millennials expect that it can enhance their child's abilities and/or make their child happy. However, stimulating a child's character and reminding millennial's childhood might be additional factors that consumer would consider.

In addition, toys that millennials buy mostly as an educational toy and sports toys; however, some customers might prefer role-play toys and electronic toys. The most popular online markets are Shopee and Lazada. Millennials buy toys depend on their child's abilities and promotion.

The hypotheses in this study were created based on the theory of planned behavior of Ajzen,1991 and 4P of marketing strategies which are Product, Price, Place, and promotion. The outcomes have concluded as the following.

H1: Attitude toward Consumer intention

The outcomes of millennial parents who want to stimulate their child's interest prefer educational skills, millennial parents who prefer a toy reminding their childhood will likely be eco-friendly toys, and millennial parents who want to build their child's abilities will consider factors which are creative and functional.

H2: Subjective Norms toward Consumer intention

The outcomes of millennial parents who want to build their child's abilities will ask their partner before buying toys.

H3: Perceived Behavioral control toward Consumer intention

The outcomes of millennial parents who want to make their child happy will consider buying a toy depends on their child's abilities.

H4: Intention toward Consumer Behavior

The outcomes of millennial parents who buy role-play intend to build their child's abilities, and parents who buy sports toys intend to make their child happy.

H5: Preferred toy toward online platform

The outcomes of millennial parents who buy role-play toys prefer to buy on Shopee and Lazada.

Marketing Strategy

This study shows that the toy business should provide the customer with the following.

- Product – Toy products should be emphasized on safety, function, and design which are the most important factors that millennials consider. However, some customers might focus on brand, packaging, and eco-friendly products. Millennials buy toys because they want to encourage their child's abilities especially child's creativity through educational toys, role-play toys, and electronic toys, and they discuss with their partners in making decision. They want to make their child happy by considering toys that follow their child's ages, sports toys, and role-play toys.
- Price – most respondents reply THB500 is their toy budget per piece.
- Place – The most popular online platform to buy toys is Shopee and Lazada.
- Promotion – When millennials consider buying toys, they look out on sales and promotions. They consider special offers on a child's birthday. Toy products should get great online reviews to create a positive attitude to consumers.

Implications

This research thesis is useful data to the toy businesses, toy developers, and toy marketing strategists in Thailand. The outcomes provide a guideline for developing toy products for Thai-millennials parents. Also, this research can encourage toy inventors to create new toys in the Thailand market to meet Thai consumers tastes and develop marketing strategies to promote them.

Limitations

Sampling size (100 people) is limited because of research duration which means the results cannot be assumed from whole Thai millennials, also respondents collected the data by using an online questionnaire, people who cannot access the internet cannot be a respondent in this study. This study's scope is Thai consumers, so we can't apply the result to other nations.



Recommendations for further research

Due to the limitation of this study, researchers suggest that future research can focus on other provinces in Thailand and other generations. For more reliable results, future research should be including a larger sample size for better analysis. Further research can focus on other study areas to understand new opportunities in the toy industry.

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