

THE EFFECT OF COVID-19 ON CONSUMER PERCEIVED BENEFITS OF ONLINE MARKETING: THE CASE OF THE CENTRAL GROUP IN THAILAND

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ABSTRACT

With the Covid-19 outbreak in the past few years, both small and large businesses have to constantly adapt to keep up with the changing lifestyles of consumers, as well as turns out an increased opportunity for the recent in online shopping in Thailand. Therefore, this paper aims to discover how online shoppers retaliate to the epidemic and how change their purchasing behavior, based on the collected data from 384 Thai respondents during Covid-19. The research analyses the role of Covid-19 as a moderator variable in the relationship between the benefits of consumer perception and their online shopping activities. The result shows Covid-19 has played a huge role in consumer awareness, which encourages shoppers to shop online. Nevertheless, socialism could be a reason that consumers hesitate to shop online, meanwhile awareness of Covid-19 and marketing policies do not affect online shopping during this outbreak. This paper could contribute to a comprehensive understanding of consumer behavior, help companies deal with similar situations as well as recommendations for the government to support businesses efficiently in the future. The data collection of online respondents by online questionnaire through 384 questionnaires was conducted as an instrument.

Keywords: online marketing, online shopping, consumer behavior, Covid-19, data collection

1. INTRODUCTION

In 2021, the coronavirus (COVID-19) has affected global and Thai economies. The situation has set back according to vaccination hence, economic activity has thus recovered in many countries. In first quarter of 2021 in Thailand, the economy was the economy is likely to decline due to the severe impact of COVID-19 compared to the same period of previous year, then followed by the third wave of outbreak pressure since April 2021 until mid-2022. The fast-changing world of digital technology forces businesses to turn around 360 degrees to escape being chased by "Digital Disruption". Unfortunately, we have encountered a crisis of Covid-19 again with variant virus, an emerging disease that spreads quickly and severely. It is a catalyst for everybody around the world to adapt and change behavior by living a new normal life to reduce any risk might be caused. Consequently, business operators in various fields have to change their business practices and provide services, while adjusting their working methods and management into a new context. In order to administrate with consumer behavior changing, also there is another way to reduce costs. Nowadays we could not refuse that the digital marketing or online marketing is a highly innovative and transformative field.

2. RESEARCH QUESTIONS

1. What is the perception situation on using technology for online shopping in Thailand?
2. How about customer's behavior, vender attributes, product & policy, and product delivery for online shopping in Thailand?
3. What are factor effects of overall perceptions on repeat using online shopping?

3. RESEARCH OBJECTIVES

1. To study the perception on using technology for online shopping in Thailand
2. To analyze of customer's behavior, vender attributes, product & policy, and product delivery for online shopping in Thailand
3. To study the effects of overall perceptions on repeat using online shopping.

4. RESEARCH HYPOTHESIS

H1: The perception of gender, age groups, different education groups, different occupation groups, different income levels and different status groups on using technology for online shopping: customer's behavior, vendor attributes and product delivery.

H2: The effects of overall perceptions on repeat using online shopping is statistically significant.

5. LITERATURE REVIEWS

1. Marketing Orientation

The proliferation of online markets and digital media has created more information of the market because consumers are more knowledgeable and able to approach product options and make interactions with customers. Having a deep understanding of the smart consumer market allows businesses to develop and customize the products that consumers desire and are willing to pay for (Market Business News, 2021).

2. Marketing Definitions

Marketing is any activity in a business that leads to the bringing of goods or services, from producers to consumers or service users, by receiving the satisfaction from consumer while achieving the objectives of the business. Marketing is a process that involves both public and private corporate affairs. Marketing operations will have a wide impact both in terms of positive and negative effects or the benefits that will be received. The way people communicate has always been a fundamental driver for evolution. The advancements in technology over the past year are changing the way we receive, evaluate and use information. From a marketer's point of view, this brings not only new possibilities, but also new challenges to use and control these technologies as well (Augustini, 2021).

3. Digital vs. Online vs. Internet Marketing

There is a lot of confusion in digital, online and internet marketing terminology. Digital marketing is a very broad term that describes a set of marketing processes that use all available digital channels (internet, TV, radio, mobile) to promote a product or service. This considers internet marketing as a subset of digital marketing.

Difference between Internet and Online marketing is just in the name itself. The term "digital marketing" is used interchangeably with this is especially common at meetings and events. The fact that some agencies try to differentiate themselves with smart-sounding names can be confusing, although they are similar, but there are important differences to consider in their marketing strategy. Before we delve further, will give a clearer overview of the two main marketing channels in next subtitle.

4. Digital and Traditional Marketing

Digital marketing is a buzzword that covers everything that goes into electronic devices including online marketing, for examples, broadcasts, digital out-of-home ads, podcasts, and e-books. Digital marketing has replaced traditional marketing, dominating digital platforms in the 21st century.

Traditional marketing is a marketing technique that focuses on historically successful types of marketing that include print ads; newspapers and magazines, out-of-home advertising; billboards and public transport, and broadcasts; television and radio. Traditional marketing was the primary method of marketing before technology emerged, now marketing has shifted to digital platforms, especially the internet. On the other hand, traditional marketing is not the top priority for many organizations anymore. Nowadays marketers have reduced their budget for traditional marketing to fund more digital marketing (Augustini, 2021)

5. Social Media Marketing

Facebook, Instagram, Twitter or Tiktok, these are all the names of famous social media platforms that you probably know very well. These platforms are like online communities that allow you and millions of users to chat, explore and create what you love. It is a good opportunity for brands to get to know and understand these 'online spaces' to get closer to their customers. The basic most general goal is to increase sales of a product / service or to build brand awareness.

"Social media is not just a new marketing platform or channel. If we look at it this way, we unnecessarily limit the scope of the opportunities just to one segment. Primary social media entails a change in ways of communication. It is (mostly) not a conversation but real many-to-many communication" Adam Zbieczuk
Even if you know and are familiar with using social media on a regular basis, that doesn't mean you can use social media well in your marketing. Social Media Marketing is the process of producing and creating content to meet various social media channels to communicate with customers and promote brand reputation. In short,

it is to use these channels to get to know and communicate with the target. The key of Social Media Marketing is to use these areas to send 'the right message to the right person'.

6. CONCEPT AND THEORIES

1. Consumer Behavior and Decision-Making Theory

The study of consumer behavior will enable the creation of marketing strategies that create satisfaction for consumers and the ability to find solutions to correct consumer decision-making behavior in society. Schiffman and Kanuk (1997) defined consumer behavior as the process of decision-making that people will have when purchase, use and evaluate goods or services, while they expect to meet their needs. In summary, consumer behavior is the expressions of individuals that are directly related to the usage of goods and services economically including the decision-making process that affects the expression of the individual which are different.

2. Marketing Theory - Explaining the Consumer Decision Making Process

The Consumer or Buyer Decision Making Process considers as a purchasing decision concept that consumers will prioritize their preferences in different products by purchasing the products, they like the most. Purchasing decisions that focus on functionality, quality, and reasonable prices.

7. CONCEPTUAL FRAMEWORK

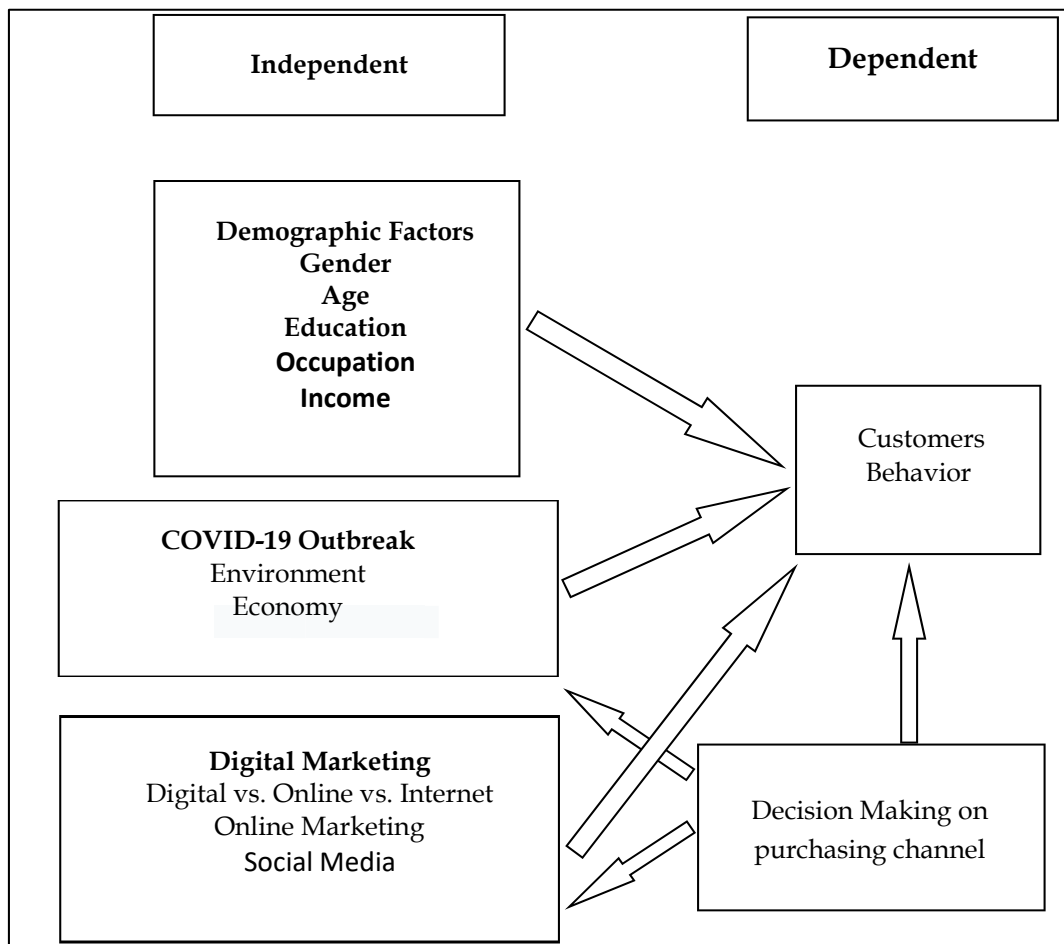


Figure 3-1 the conceptual framework

8. RESEARCH METHODOLOGY

The methodology is presented in the following four sections: research design, population, sample, sampling, limitations, data collection procedures, research instruments, and statistical analysis.

1. Research Design

This research is survey research that collects data from samples instead of population. Basically, it is quantitative research since most of sections are quantitative in nature. The objective of this research is to know consumers' using online shopping amid Covid-19 era.

2. Questionnaire Survey Method

This section describes the data collection procedure of the research. The data will be collected by distributing 384 questionnaires to consumers. The reliability tests and measurement ranges commonly used by most scholars have good validity, which constitute the initial questionnaire of this study. Then, pre-survey was carried out through small scales. By assessing the measurement scale's reliability and validity for each vector, the measurement items of each variable were purified, and the insignificant problems in the test were deleted to ensure that the questionnaire was in line with the respondents, making the questionnaire more scientific and realistic. Finally, the final questionnaire is formed, and a formal investigation is conducted.

3. Analysis Data

The study was conducted about the relationship between perceptions and repeat using online shopping to be a sample for this study. A questionnaire survey of 384 Thai consumers who purchase product by online shopping, conducts theoretical analysis on relevant data, analyzes and studies the perception of Thai consumers with online shopping, finds problems through analysis, and then explores measures to solve the problems. The researcher analyzed the data, the data analysis was undertaken in each step as follows: firstly, the researcher decided to use descriptive statistics (e.g., frequencies, percentage, means and standard deviation), to carry out the data analysis of this research. After that, data screening was carried out by using Cronbach's Alpha Coefficient (0) to examine the reliability of the whole data of questionnaire.

4. Statistical Analysis

Data are being analyzed in identifying the relationship and impact of demographic, behavior

Table 1 Statistical Analysis

NO.	Type of data	Statistical Analysis
1	Demographic data (1 st section of questionnaire)	Frequency and percentage
2	Customers' behavior (2 nd section of questionnaire)	Frequency and percentage
3	Customers' Perception (3 rd section of questionnaire)	Mean and SD
4	Hypothesis testing	F-test, Multiple regression, and Simple regression

Table 2 Relationship of Variables, Hypothesis, and Statistical Tests

Hypotheses	Description of Hypotheses	Statistical Test
Hypotheses 1	The perception of gender, age groups, different education groups, different occupation groups, different income levels and different status groups on using technology for online shopping: customer's behavior, vendor attributes and product delivery	F-test, Multiple regression, and Simple regression
Hypotheses 2	The effects of overall perceptions on repeat using online shopping is statistically significant.	Simple regression

Table 3 Perception Levels and Ranges of Mean Scores

Perception Levels	Range
Completely agree	4.50-5.00
Agree	3.50-4.49
Neutral	2.50-3.49
Disagree	1.50-2.49
Completely disagree	1.00-1.49

9. RESEARCH RESULTS

H₁: The perceptions of male and female on using technology for online shopping are not significantly different.

H₂: The perceptions of male and female on vender attributes for online shopping are not significantly different.

H₃: The perceptions of male and female on product & policy for online shopping are not significantly different.

H₄: The perceptions of male and female on product delivery for online shopping are not significantly different.

H₅: The perceptions of customers in different age groups are not significant in terms of using technology for online shopping.

H₆: The perceptions of customers in different age groups are not significant in terms of vender attributes for online shopping.

H₇: The perceptions of customers in different age groups are not significant in terms of product & policy for online shopping.

H₈: The perceptions of customers in different age groups are not significant in terms of product delivery for online shopping.

H₉: The perceptions of customers in different education groups are not significant in terms of using technology for online shopping.

H₁₀: The perceptions of customers in different education groups are not significant in terms of vender attributes for online shopping.

H₁₁: The perceptions of customers in different education groups are not significant in terms of product & policy for online shopping.

H₁₂: The perceptions of customers in different education groups are significant in terms of product delivery for online shopping.

H₁₃: The perceptions of customers in different occupation groups are not significant in terms of using technology for online shopping.

H₁₄: The perceptions of customers in different occupation groups are not significant in terms of vender attributes for online shopping.

H₁₅: The perceptions of customers in different occupation groups are not significant in terms of product & policy for online shopping.

H₁₆: The perceptions of customers in different occupation groups are not significant in terms of product delivery for online shopping.

H₁₇: The perceptions of customers in different income groups are not significant in terms of using technology for online shopping.

H₁₈: The perceptions of customers in different income groups are significant in terms of vender attributes for online shopping.

H₁₉: The perceptions of customers in different income groups are significant in terms of product & policy for online shopping.

H₂₀: The perceptions of customers in different income groups are significant in terms of product delivery for online shopping.

H₂₁: The perceptions of customers in different status groups are not significant in terms of using technology for online shopping.

H₂₂: The perceptions of customers in different status groups are not significant in terms of vender attributes for online shopping.

H₂₃: The perceptions of customers in different status groups are not significant in terms of product & policy for online shopping.

H₂₄: The perceptions of customers in different status groups are significant in terms of product delivery for online shopping.

H₂₅: The perceptions of customers in different residence groups are not significant in terms of using technology for online shopping.

H₂₆: The perceptions of customers in different residence groups are not significant in terms of vender attributes for online shopping.

H₂₇: The perceptions of customers in different residence groups are not significant in terms of product & policy for online shopping.

H₂₈: The perceptions of customers in different residence groups are not significant in terms of product delivery for online shopping.

5.3 Cross Table Analysis

H₀: Using technology, vender attributes and product delivery does not have significant effect on repeat using online shopping.

H₁: Using technology, vender attributes and product delivery have a significant effect on repeat using online shopping.

Table 4 Correlation Matrix, and VIF

Variables	Using technology	Vender attributes	Product & Policy	Product delivery	Repeat using service	VIF
\bar{x}	4.441	4.328	4.253	4.319	4.410	
S.D.	0.519	0.514	0.506	0.555	0.819	
Using technology		0.536**	0.514**	0.521**	0.176**	1.00
Vender attributes			0.687**	0.672**	0.165**	0.713
Product & Policy				0.709**	0.162**	0.744
Product delivery					0.104**	0.729
Repeat using service						

** Correlation is significant at the 0.01 level (2-tailed)

According to Table 4, the correlations among independents and dependent variables are all significant. These are signified by asterisks. Again, the independent variables are using technology, vender attributes, and product delivery. The dependent variable is the interesting in returning to use online shopping again, even if economic change. By the way, all correlations are positive. These correlations range from 0.104-0.709.

Although, the correlations mentioned above are significant, but multicollinearity does exist, because variance inflation factors (VIF) are all less than 10. In fact, they range from 0.713-1.00. Multicollinearity refers to at least two independent variables are too correlated, meaning they could be the same variable. Again, based on the Table 5, multicollinearity does not exist.

Table 5 The effects of the overall perception to repeat using online shopping.

Antecedents	Overall satisfaction		t	p-value
	B	Std. Error		
Constant (a)	2.920	0.407	7.168	0.000
1. Using technology (UTG)	0.212	0.097	2.180	0.030
2. Vender attributes (VAT)	0.203	0.113	1.792	0.074
3. Product & Policy (PPC)	0.135	0.055	2.483	0.036
3. Product delivery (PDR)	-0.076	0.104	-0.734	0.463
R=0.198, R ² =0.039, F=5.171, p-value<0.05				

*p-value is significant at the 0.05 level.

Based on Table 5-5, using technology and vender attributes have significant effects on the interesting in return using online shopping. Moreover, product delivery does have significant effects on the interesting in return using online shopping, (sig < 0.05).

Thus, regression equation is proposed as follow:

$$STF = 0.920 + 0.212(UTG) + 0.203(VAT) + 0.135(PPC) - 0.076(PDR)$$

The equation implies that if using technology increased by one unit, the interesting in return using would increase by 0.212 unit.

The equation implies that if vender attributes increased by one unit, the interesting in return using would increase by 0.203 unit.

The equation implies that if product & policy increased by one unit, the interesting in return using would increase by 0.103 unit.

The equation implies that if product delivery increased by one unit, the interesting in return using would decrease by 0.076 unit.

10. CONCLUSION

1. Demographic Data

First section refers to the demographic data including sex, age, occupation, income level, education level, status and residence. In this research, 384 questionnaires were conducted as instrument. According to the result, the sex, female frequencies are 245 and 63.8 percent and male frequencies are 139 and 36.2 percent. Most of the respondents is in the age of 25 - 39 years old with frequency are 101 which is 26.3 percent, level of income at 10,000 – 20,000 baht, which is 155 of frequency with 46.4 percent. Moreover, the majority of respondents are bachelor's degree with a percentage of 40.1 percent and frequency is 154. Occupation there various large proportions of frequency 82, 72 and 57 with percentage of 20.8, 18.8 and 14.8 they are student, employee and entrepreneur respectively. There is a large proportion of frequency 198 respondents with 51.6 percent are single. According to residence in Thailand contains 77 provinces, that questionnaire allows respondents to select, found that 31.5 percent is the most respondents are in Bangkok, which 121 frequencies, followed by Burirum is frequencies of 24 with 6.3 percent, Bung Kan is frequencies of 15 with 3.9 percent and Pathum Thani is frequencies of 11 with 2.9 percent. In the same time frequency is spread evenly, little by little in almost each province.

2. Customers' behaviors on using technology for online shopping

This part relates to customers perception. According to the data collection, it indicates that most respondents often use media for online shopping represents 2-3 times is 24.5% and once a week is 17.2% from 384 respondents. They are usually on Shopee (60.4%), Lazada (52.3%), Instagram (29.2%) and Facebook (26.3%) for shopping online. Cloths, cosmetics, shoes, accessories, and household goods are very high frequencies respectively that respondents would buy when they are on online platform. They love to make a payment by pay-on-delivery (37.5%) and bank account (34.4%) as well as credit/debit card (20.8%). Once they shopped online, they spend around 500-1,000 baht (38.3%) to buy things or sometimes less than 500 baht (32.6%). Furthermore, from their experience that they answer questionnaire on shipping company they prefer Kerry Co. to others which the highest percentage is 44.8%.

3. Customers' perception on overall using online shopping

According to our questionnaire, the third part of the questionnaire is all about customer's behaviors on using online shopping. In this section is aimed to determine the levels of perception of those customers who use online platform and purchase by online shopping. This part is divided into three dimensions including using technology for shopping, vender attribute and product delivery, under each dimension, there are five perception levels contain completely agree, agree, neutral, Disagree and completely disagree.

The overall of the levels of customer's perception on using technology for shopping online shows that customers agree with 1) I have been using new technologies in my daily life, 2) I have been comfortable using technology in my daily life, 3) I save time from using technology in everyday life, 4) Shopping online has made me safer from exposure., 5) Online shopping allows me to browse a wide variety of products., 6) Online shopping allows me to browse a wide variety of venders, 7) Online shopping gives me more options for looking products, 8) Online shopping is another good channel during the spread of Covid-19, which represent mean = 4.441 and SD = 0.519

The overall of the levels of customer's perception on vender attribute indicate that customers agree with 1) Reliable of the venders, 2) Honesty of the venders, 3) The vender responds as quick as possible when customer has a question or needs help, 4) The politeness of vender, 5) Providing truthful and all information about the product of the vender, which represent mean = 4.328 and SD = 0.514

The overall of the levels of customer's perception on product and policy indicate that customer agree 1) The product must be as advertised, 2) The quality of the product, 3) The price is worth with product quality, 4) The product warranty, 5) The returning product when defect is founded and 6) Refund for item when customer found defect on product and not satisfied with, which represent mean = 4.142 and SD = 0.683

The overall of the levels of customer's perception on product delivery indicate that customers agree with 1) The product is delivered within period that has shown in delivery detail, 2) The vender chooses delivery company which is qualified standard service, 3) Quality and feature of product during delivering and 4) The right to check the product after received before messenger leaving, which represent mean = 4.319 and SD = 0.555

The whether their antecedence of customer's perception on online shopping are not significantly different. A statistical software package was employed to analyze the collected data, and the data were

analyzed by using both descriptive and influential statistics. Basic statistic F-test and T-test.

11. RESEARCH LIMITATIONS

Researcher cannot approach consumers like face-to-face for questionnaire. Thus, questionnaire will be done by consumers via online questionnaire. One limitation is there might be no one interested in our questionnaire when I ask him or her to do online questionnaire. Questionnaire may not be fully understood by those respondents. These make it difficult to get the accurate results from sample and thus result in wrong prediction for population.

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