



Information Behavior of Toyota Kaen Nakhon Showroom Visitors

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Abstract

The Capstone Project in Bachelor of Information Science Program (iSchoolKKU BIS Program) at Toyota Kaen Nakhon Company Limited aims to study: 1) visitors' demographic characteristics 2) visitors' behavior and 3) marketing mix factors of showroom visitors at Toyota Kaen Nakhon Company Limited showroom. 400 visitors who visited the showroom during October to December 2020 were asked to complete online questionnaire. The statistics used to analyze the data were percentage, mean, and standard deviation. Finding revealed that the highest percentage of visitors were females aged 19-29 with Bachelor degree, earned 25,001 – 40,000 per month. The important visitors' behavior was that the most frequent visit time is 13:31 – 15:00 and the most visit day is on Saturdays. The most popular car models were: 1) New Yaris HB , 2) Fortuner Legender and 3) Corolla Cross. Visitors were motivated to visit the showroom by close friends' recommendations/word of mouth the most, then followed by Facebook pages. In terms of marketing mix factors, the most influencing factor was Product quality. However, as other dealers also sell the same Toyota automobiles, insight from Promotion and qualitative data show current insufficient customer care mindset amongst salespersons and customers also care about Place. Therefore, the company need to train salespersons to concern more about their roles as avid formation provider who also need to serve emotional needs, reduce anxiety, and serve hidden desire of customers. This will keep good relationship with old customer and maintain their words of mouth to invite potential new customers.

Keywords: Toyota, information behavior, vehicle buying behavior.



1. Introduction

Users/customers' information behaviors (IB) have been a subject of interest in Information Science for decades. However, the focus started from the interest to understand academics search behaviors. In late 1990s the IB studies has gradually expanded to merge with other disciplines, including marketing. Since the understanding of consumer information behaviors is an advantage for automotive business, Satish, & Bharadhwaj (2010) reviewed literature in information search behavior among new car buyers and did two-step cluster analysis in their study in India. Their insight into four distinct groups of searchers will help car dealers to identify groups of customers and design effective communication strategies to attract potential car buyers in each group.

Southeast Asia has been Toyota's major global production hub and market since 1950s. Starting from an order of 117 fire truck units in 1954, the company initiated its overseas expansion into the first Southeast Asia country, Thailand, in 1962. Then Toyota Motor Thailand Co., Ltd. (TMT) has been established well in the country (Toyota Motor Corporation, 2011). In Indonesia, Thailand, Philippines, Brunei and Vietnam, Toyota vehicles has been the most popular cars in automobile markets.

Thailand has also been one of the prominent Toyota manufacturers. However, in 2020, COVID-19 hit hard on automotive industry in Thailand both in terms of manufacturing and sales volume. TMT reported that domestic market sales decreased by 21.4% compared to 2019. Therefore, in 2021 when COVID-19 has still been a challenging factor. TMT identifies that new product introduction, marketing event, and sales campaign will be significant mechanisms to promote automobile sales (Toyota Motor Thailand, 2021).

In Thailand there is more than one Toyota dealer in each province. Therefore, car dealer is a highly competitive business. Toyota Kaen Nakhon Company Limited is one of the three dealers in Khon Kaen province. The company was established in 2006 as a full Toyota dealer and service centre. It expanded its business during 2008-2015 to other districts in the province. With the other two competitors, it is crucial for Toyota Kaen Nakhon to gain consumer insight to maintain their vehicle sales and services.

Technological disruption has been drastically changed customer behavior. E-commerce and COVID-19 accelerate the change in ways people work and purchase commodities. In United Kingdom and Australia, as high as 25 % of buyers decided to buy their cars online in case guarantees and a warranty are inclusive in the purchase (Guthrie, 2022). However, in Asia, visiting automobile showrooms is still a necessity for car buyers. In Pune, India, visiting dealers' showroom is the top pre-purchasing strategies car buyers did before purchasing a car (Thomas, & Nagendra, 2020). In Thailand, a study in Suphan Buri province revealed that "place", one of the 4P's marketing mix, was one of the major considerations. The study suggesting showrooms should be decorated in the modern style to attract customers and salespersons needed to be trained to have excellent product knowledge and maintain customer relationship (Pathumsoot, 2018). A study in Chiang Mai Municipality also stressed that customers prefer showrooms that were conveniently



accessible. Moreover, suitable office hours and professional sales personnel were two key important factors influencing the consumers' decisions in Thailand (Intarawat, 2015).

Since showroom visit had been a major factor contributing to car purchase decisions in Thailand, Toyota Kaen Nakhon (the company) want to know the primary factors influencing the decision to visit the showroom. The result will help improving the company marketing strategies, both onsite and online. The paper derived from a Capstone Project undertaken during the 5-month apprenticeships of a fourth-year student, Wassana Maneesan, in the Bachelor of Information Science program (BIS at iSchool KCU) in Work Integrated Learning (WIL) paradigm.

Wassana undertook apprenticeships in Toyota Kaen Nakhon's marketing department in 2020. She fulfilled WIL requirement to learn and have on the job training in the enterprise working environment as well as to seek practical solution for the company's problems. WIL training approach and a Capstone Project can develop students' competency to be ready to compete in job market and pursue professions in information and digital industries.

The study of Toyota Kaen Nakhon Showroom visits aims to study: 1) visitors' demographic characteristics 2) visitors' behavior, and 3) marketing mix factors influencing the consumers' showroom visit decision. The expected results are informed information for Toyota Kaen Nakhon to improve service and marketing strategies to attract more potential customer to visit their showroom.

2. Research Methodology and Theory

In this quantitative study, the research was conducted in Khon Kaen, Thailand through online survey. The population comprised of 400 potential car buyers who visited Toyota Kaen Nakhon (Head Office) showroom during October to December 2020. Online questionnaires were distributed by using convenience sampling method. The unit of analysis was individual potential car buyers who visited the showroom. Data were analysed by MS Excel and the original report has been supervised by the corresponding author and written in Thai language.

The Marketing Mix theory are applied in this research, comprising of 4Ps; product, price, place, and promotion. Jerome McCarthy originally proposes a framework for marketing decision-making and his marketing mix component has become one of the most widely accepted frameworks in marketing (Bitner,1991).



3. Results

3.1 Visitors' Demographic Characteristics

3.1.1 Gender and Age It was found that 46.7% of respondents were females, followed by 41 % males, and 12.3% identified themselves as LGBTQ. The largest number of respondents, 27.8% aged between 19 – 29, followed by 21.2% aged between 30 – 39, and 20.8% aged between 40-49 respectively.

3.1.2 Education It was found that 39% of the respondents had bachelor's degree as the highest level of education, followed by 23% with diploma/equivalent, 16.8 % with certificates, the same number as people who had secondary school education. Only 4.5% of the respondents had primary school education.

3.1.3 Occupation It was found that 35.3% of the respondents were private employees in the operating level followed by 25.4% of business owners/freelancers, 21.3 % civil servants/state enterprise employees, and 12.3% students.

3.1.4 Monthly Family Income It was found that 38.3% of the respondents had monthly income of 25,001 – 40,000 baht, followed by 36% who earned 15,001 – 25,000 baht per month, and 14.5% who earned more than 40,000 baht per month respectively.

3.2 Visitors' Behavior

This section presents information about visitors behavior at Toyota Kaen Nakhon showroom visit.

3.2.1 Visiting time It was found that 29 % of the respondents visited the showroom between 13:31 to 15:00, followed by 24.7% visited between 10:31 to 12:00 noon, and 18.3%, during the period of 15:01 - 16:30 respectively.

3.2.2 Visiting Day It was found that 33.3 of respondents came to the showroom on Saturdays, followed by 14% came on Thursday, and 12.5% came on Wednesday respectively.

3.2.3 Car models It was found that 45.3% of respondents visited the showroom to view New Yaris HB followed by 45 % to view the Fortuner Legender, and 44% to view Corolla Cross, and 37% to view Hilux Revo.

3.2.4 Information Source

The largest percentage of respondents (46 %) were motivated to visit Toyota Kaen Nakhon showroom by close friends/word of mouth, then followed by Facebook pages (28.7%),

and flyers (11 %). The advertisement from television and radio program together accounted equal to flyers (5.5% each) as showed in Table 1.

Table 1 Information source that motivate showroom visits

Information source	Number	Percentage
Close friends/word of mouth	184	46.0
Facebook page	115	28.7
Flyers	44	11.0
Television	22	5.5
Radio program FM 100.75 MHz. (TOPTEAM)	22	5.5
An acquaintance works at the showroom	10	2.5
Others	3	0.75
Total	400	100.00

3.3 Marketing mix factors

3.3.1 Products and services

Table 2 showed factors on products and services that motivate showroom visits. Respondents had very high level ($\bar{x} = 4.50$) of overall opinion about the behavior of consumers affecting the decision to visit the showroom in terms of products and services. When looking at each item, it was found that the consumer considered most on the fuel efficiency ($\bar{x} = 4.80$), followed by suspension system ($\bar{x} = 4.79$), and the performance of the engine and strength of the body ($\bar{x} = 4.78$), respectively.

Moreover, interior design/cabin, standard equipment and modern accessories, exterior/car shape, and facilities in the car were also considered as important factors affecting showroom visits, as show in Table 2.

Table 2 Factors on products and services that motivate showroom visit

Factors	\bar{x}	S.D.	
Fuel efficiency	4.80	0.42	Strongly agree
Suspension system	4.79	0.44	Strongly agree
Engine performance	4.78	0.43	Strongly agree
Strength of car body	4.78	0.45	Strongly agree
Interior design/cabin	4.76	2.03	Strongly agree
Standard equipment and modern accessories	4.75	0.46	Strongly agree
Exterior/carshape	4.70	0.47	Strongly agree
Facilities in the car	4.53	0.56	Strongly agree
Variety of colors and models	4.50	0.61	Agree
Brand reliability	4.40	0.53	Agree
The brand is popular and recognized	4.37	0.55	Agree
Service quality of the service center	4.31	0.59	Agree
Customer care service	3.61	0.88	Agree
Total	4.50	0.85	Agree

3.3.2 Price

It was found that in terms of price, respondents have high level of opinions about price ($\bar{x} = 4.15$). In details, the price that matched the quality of the car was more important ($\bar{x} = 4.29$) than the low cost of car maintenance ($\bar{x} = 4.02$).

3.3.3 Place

Overall, most of the respondents have high level ($\bar{x} = 4.28$) of opinions about showroom and service centre. In details, generous size of the venue with elegant decoration was considered the most important factor ($\bar{x} = 4.42$) followed by the easy access of the venue ($\bar{x} = 4.36$), and the number of branches of showrooms and service centre ($\bar{x} = 4.07$), respectively.

3.3.4 Promotion

Most of the respondents agree that overall promotion affect their decision to visit Toyota Kaen Nakhon showroom ($\bar{x} = 3.98$). The most important factor was the personality, interpersonal skills and knowledge of salesperson ($\bar{x} = 4.16$), followed by free gift or a complete set of accessories ($\bar{x} = 4.14$) and creative advertising through various media ($\bar{x} = 4.13$) respectively.

Table 3 Factors on promotion that motivate showroom visit

Factors	\bar{x}	.S.D	
Personality, interpersonal skills, and knowledge of salesperson	4.16	0.65	Agree
Free gift or a complete set of accessories	4.14	0.64	Agree
Creative advertisements through various media	4.13	0.59	Agree
Trade shows in various interesting locations	4.06	0.56	Agree
Provision of first-class car insurance from leading insurance companies	3.73	0.81	Agree
Offer of low and reasonable down payment and instalment interest rates.	3.67	0.80	Agree
Total	3.98	0.71	

Result from qualitative data analysis

There were seven suggestions of respondents who answer an open-ended question at the end of the questionnaire. All feedback was related to customer service. The majority of these respondents wanted salespersons to frequently follow up with customers who visited and who purchased the car from the showroom. They wanted to be informed about news and promotions offer in either online or offline. Several customers mentioned that salespersons should be more eager to take care of customer when they arrive at the showroom and should inform about promotions. A customer complained about the poor after sales service.

4. Discussion and Conclusion

Results showed that there were not much different number of genders who come to visit Toyota Kaen Nakhon showroom (46.7% females, 41 % males, and 12.3% LGBTQ). The largest number of them had Bachelor's degree as the highest level of education (39%) with was a close percentage of the largest number of respondents' occupation (35.3% of the respondents were private employees in the operating level) and the largest number of respondents' monthly family income (38.3% of the respondents had monthly income of 25,001 – 40,000 baht). However, as many as 36% earned 15,001–25,000 baht per month. People who earn these two ranges of income reflected in the two age groups, 19 – 29 (27.8%) and 30 – 39 (21.2%).

The demographic data could guide the marketing department of Toyota Kaen Nakhon Company Limited to focus on attracting these age groups in all genders. In other Asian countries, male might be the one who make decisions on vehicle purchasing but due to the high education



and income of Thai women, they are decision makers in household money spending. Moreover, male and female Thai car buyers tend to have similar direction of decision in case of non-luxury private cars purchase (Shannon, & Sapsongkhun, 2019).

The most important 4Ps marketing factor that showroom visitors concerned, at very high level, was products and services. The result that identified functional properties; fuel efficiency, suspension system, and the performance of the engine and strength of the body is like other studies on non-luxury and Toyota cars purchase. Perceived product and service quality commonly very important to customers in this sector (Triloka, 2004; Yachompoo, 2016; Shannon, & Sapsongkhun, 2019).

Since visitors decided to visit the showroom by word of mouth and Facebook pages, the company needs to focus on delivering exceptional service to both current visitors and future customers. This crucial focus also revealed in the qualitative data that show the current insufficient customer care mindset amongst salespersons. Similarly, the finding on an element of 4Ps marketing mix, promotion, revealed that the most important factor in promotion was not material incentives but personality, interpersonal skills, and knowledge of salesperson. The important to human touch and salespeople as a reliable source of information is similar to findings from Satish & Bharadhwaj (2010) study. They found that the largest group of car buyers in India (approx. 45 % of respondents) was low broad searchers. This group seek information via a variety of information sources but did not spend large amount of time (22.88 hours). Their significant traits were that they considered showroom visits, salesperson consultation, and test drives very important. They did not rely much on brochures, the same result found in this study.

This surprising result illuminate the importance of marketing 4.0 principle by Philip Kotler (2017) focusing on human interaction and engagement of customers' feelings. Kotler introduced the marketing 3.0 principle which, emphasise on the human-centric marketing strategy. After that in 2017 when advanced technology made different brands of industrial products equally high quality, he suggested marketers need to focus on engaging customers to the product development process and care for the word of mouth between the community of informed customers. Each brand needs to learn about building mind, heart, and spirit to their products. In this case not the tangible Toyota automobiles but sales and aftersales services.

Although Shannon & Sapsongkhun (2019) found that non-luxury car buyer tends not to concern much about social status, most studies about car buyers in Thailand identify that the physically look of showrooms are important for potential buyers (Yachompoo, 2016). The generous size of the showroom with modern elegant decoration was a crucial factor in this study because it serves the desire to be in a luxury place or have good teste. This complies with the marketing 4.0 principle because nowadays product cannot have only functions but need to serve emotional needs, reduce anxiety, and serve hidden desire of customers (Kotler, 2017). Therefore, showroom size, interior designs, and ambience are crucial elements for showroom visit.



In all, this Capstone Project delivered customer insight for Toyota Kaen Nakhon Company Limited. The study mainly applied marketing theory but identified element in information behavior theory that the readiness of information sources, in this case, salesperson and Facebook page, affect the way customers seek information and make decision. As salespersons are key information provider, the insights into visitors' behavior on perceived product and service quality, showroom time visit (between 13:31 to 15:00 on Saturdays) and popular car model (New Yaris HB, Fortuner Legender, and Corolla Cross, and Hilux Revo) could help salesperson to aware of information they need to adhere.

The study reflects that hospitality, human touch, and interpersonal skill is crucial in marketing in car industry. Therefore, to compete with other Toyota car dealers in Khon Kaen, Toyota Kaen Nakhon Company Limited need to keep in mind that while they sell the exact Toyota automobiles, engaging customers' feelings and word of mouth are more powerful factors than ever. The insight would inform the company to train their salesperson and decorate the showroom to attract more customers to visit the showroom, not other two dealers' showrooms.

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