

Factors Influencing the Decision to Use the Freight Service of Kerry Express (Thailand) Co., Ltd. in Prachin Buri Province

Dr. Chinnaso Visitnitikija, Kittina Somsri

Abstract—This research aims to study 1) marketing mix factors, 2) service decision-making, and 3) the decision to use Kerry Express (Thailand) Co. Ltd.'s delivery service in Prachinburi Province based on personal data; and 4) marketing mix factors affecting the decision to use Kerry Express (Thailand) Co. Ltd.'s delivery service in Prachinburi Province. A total of 400 individuals were selected for this study. A questionnaire was used as a research tool. The statistics used were percentage, mean, t-test, F-test (one-way analysis ANOVA), and Multiple Regression Analysis. The results of the study found that most were female, aged 20-29 years, had an education lower than a bachelor's degree, were students, and had an average monthly income lower than 10,000 baht. The overall picture of marketing mix factors and the decision to use Kerry Express (Thailand) Co., Ltd.'s delivery service in Prachinburi Province was at the level of high agreement. Different levels of education and occupation had different effects on the decision to use Kerry Express (Thailand) Co. Ltd.'s delivery service in Prachinburi Province. Price and personal and physical characteristics have a statistically significant influence on the decision to use the delivery service of Kerry Express Co., Ltd. (Thailand) in the Prachinburi Province at a level of 0.05. **Recommendations:** There should be a variety of services, an accurate parcel-tracking system, and a clear indication of the time the product will arrive at its destination. There should be various payment methods, service channels, and contact channels. The location should be close to the community. Advertising via social media or influencers, discounts during festivals, and parcel guarantees at appropriate service rates for high-value parcels. Employees should be trained to provide information and knowledge about the service, provide information to answer users' questions, be polite and friendly, and respect users equally. Provide services in the order of queue, provide fast service, build credibility, and provide confidence to users. Modern equipment and technology must also be used. The atmosphere in the store was open and not crowded

Keywords— Service, Quality, Affecting.

Dr. Chinnaso Visitnitikija, Kittina Somsri, Graduate School of Business Administration, Kasembundit University, Bangkok, Thailand

¹ Banister, D., Anderton, K., Bonilla, D., Givoni, M., & Schwanen, T. (2011). Transportation and the environment. Annual review of environment and resources, 36(1), 247-270.

I. BACKGROUND

In the past, land transportation was the longest-standing form worldwide. Initially, it was mainly used on the feet and animals to help move things. Later, with the development of technology, transportation systems developed according to the era, resulting in various forms of transportation,¹ such as rail transportation, car or truck transportation, and motorcycle transportation.² In Thailand, most goods transported in the past were primarily carried out by animals.³

Currently, the transportation business model has become very important in Thailand because both small and large e-commerce business operators need to rely on transportation as their main means of distributing goods and services. As a result, the logistics press business has grown rapidly, with an average growth of 10-20% per year.⁴ This has led to an increase in new transportation business operators entering the transportation market over the past to 5-10 years, causing fierce competition in the transportation business. Therefore, costs must be managed, with cost being the main consideration. Including management of transportation and service processes.⁵ To create service strengths, create differences and competitive advantages Logistics Express business models are divided into 2 types: B2B, which is general delivery, not express delivery, focusing on cost reduction, and B2C & C2C, which is a lot of service points, focusing on good service, flexibility, and speed of delivery. Both business models have different strengths and competitive strategies, causing the logistics press business to become more competitive.⁶

This has led to competition for market share in the transportation business, so entrepreneurs must have their own ideas, methods, and strategies to compete with other entrepreneurs. Currently, the E-commerce market⁷ is growing rapidly and remains highly competitive. When comparing

² Holeczek, N. (2019). Hazardous materials truck transportation problems: A classification and state of the art literature review. Transportation research part D: transport and environment, 69, 305-328.

³ Pornpitakpan, C. (2000). Trade in Thailand: A three-way cultural comparison. Business horizons, 43(2), 61-70.

⁴ Phillips, D. M., & Phillips, J. K. (1998). A social network analysis of business logistics and transportation. International Journal of Physical Distribution & Logistics Management, 28(5), 328-348.

⁵ Meyer, J. R. (1959). The economics of competition in the transportation industries (No. 107). Harvard University Press.

⁶ Shafer, S. M., Smith, H. J., & Linder, J. C. (2005). The power of business models. Business horizons, 48(3), 199-207.

⁷ Grover, V., & Teng, J. T. (2001). E-commerce and the information market. Communications of the ACM, 44(4), 79-86.

statistics with past years, lifestyles have changed from going out to buying products themselves to now turning to buying products online more. Additionally, when buying and selling online, there must be a system for delivering products to customers. If we talk about sending parcels, we probably think of Thailand Post, which has held market share in parcel delivery for a long time.⁸ Until last year, many private shipping companies came in as competitors. One of them is Kerry Express, a very interesting competitor with a rapidly growing market share and income.

In doing business, business owners must give importance to factors such as service quality, which means delivering quality services. This is one way for businesses to succeed amidst competition, especially when businesses that provide services have similar service formats and are located in the same area. Therefore, emphasizing service quality is a way to create a difference for the organization, and this difference will lead to an increase in consumers.

The decision to use a service is to choose to do something specific among the available options. This is a method by which consumers make decisions, consisting of problem recognition, information search, evaluation of alternatives, purchase decision, and post-purchase behavior, which reflects the need and awareness of a variety of products to choose from, activities in which consumers are involved in relation to the available information or information provided by the manufacturer, and, finally, the evaluation of the value of those alternatives (Kotler, 2014).

Kerry Express (Thailand) Public Company Limited or Kerry Express is a private parcel delivery service provider. Providing parcel delivery services and parcel delivery to various locations covering all 77 provinces can support more than 1.9 million parcels per day to accommodate the rapid growth of the e-commerce business with the concept of “cheap and good” in terms of outstanding service, reliability, and reasonable prices. From the above information, the researcher is interested in studying the factors that influence the decision to use the delivery service of Kerry Express (Thailand) Co., Ltd. in Prachin Buri Province in order to use the results of the study as a guideline for improving the factors that influence the decision to use the delivery service of Kerry Express (Thailand) Co., Ltd. in Prachin Buri Province.

II. OBJECTIVES OF THE STUDY

To study the marketing mix factors when using the freight service of Kerry Express (Thailand) Co., Ltd. in Prachinburi Province.

To study the decision to use the freight service of Kerry Express (Thailand) Co., Ltd., in Prachinburi Province.

A. Scope of the study

Content: Study on factors influencing the decision to use the delivery service of Kerry Express (Thailand) Co., Ltd. in Prachinburi Province, using Kotler’s (1997) marketing

components theory, which consists of product, price, place, promotion, people, process, and physical evidence, and Kotler’s (2014) decision theory, which consists of need recognition, information search, evaluation of alternatives, purchase decision, and post-purchase behavior.

Population: The sample group used in this study was a group of users of Kerry Express (Thailand) Co., Ltd.'s delivery service in Prachinburi Province, which, in this case, is unknown. A total of 400 individuals were selected for this study

B. Literature review

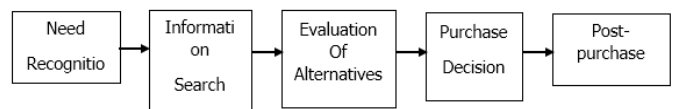
Factors influencing the decision to use the delivery service of Kerry Express (Thailand) Co., Ltd. in Prachin Buri Province. The researcher studied documents, concepts, theories, and related research to determine the conceptual framework and guidelines for the study, as follows:

C. Marketing Mix Theory

stated that the marketing mix refers to variables or marketing tools that can be controlled. Companies often use them to meet the satisfaction and needs of target customers. Originally, the marketing mix consisted of only four variables (4P's): product, price, place, product distribution channel, and promotion. Subsequently, three more variables were added: People, Physical Evidence, and Process to align with important concepts in modern marketing, especially for service businesses. Therefore, it can be called 7P's marketing mix.⁹

Knowing the consumer buying decision process will help marketers understand the steps involved in making a detailed decision to purchase a product or service from the first point to the end of the process. This will help you plan whether it is from the production of products or services and marketing planning from the initial process to attracting sales. The consumer purchase decision process has 6 steps: 1. Problem Recognition 2. Information Search 3. Evaluation of Alternatives 4. Entering the purchase decision-making process (purchase Decision) 5. Purchase product or service (Purchase) 6. Post-Purchase Evaluation

D. Decision Making Theory



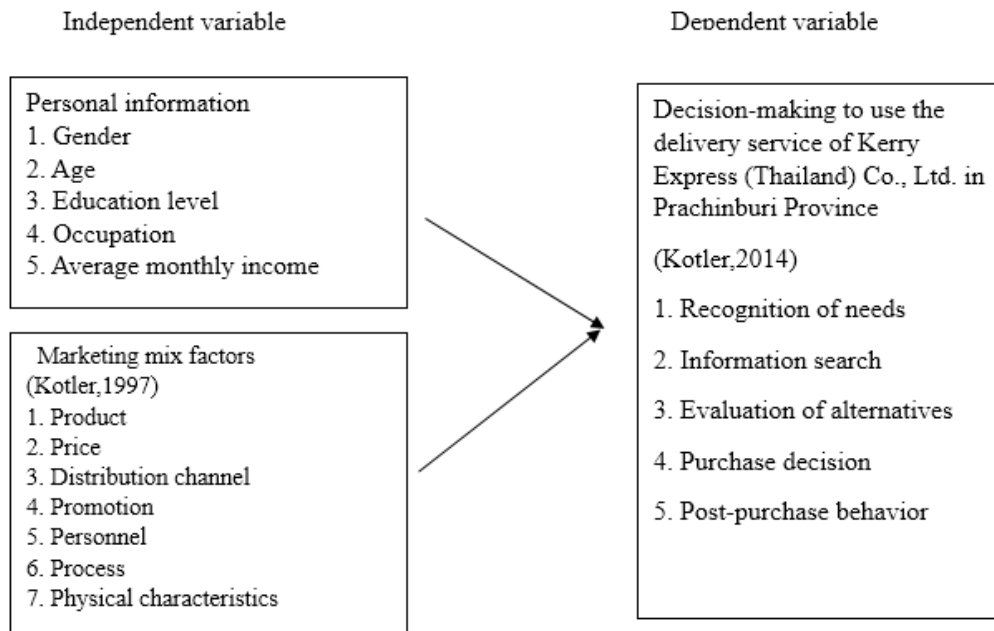
Purchase Decision Process Steps

E. Conceptual framework

From the above study, the researcher used the theory of marketing mix factors 7P's and the decision to use the service in summary and integrated it into a conceptual framework to study the marketing mix factors that influence the decision to use the delivery service of Kerry Express (Thailand) Co., Ltd. in Prachinburi Province as follows:

⁸ Pomprae, P., & Mahamud, T. Marketing Mix Factors that Affects Decision Making Use the Service of an Agent Company Import Export. _____

⁹ Goi, C. L. (2009). A review of marketing mix: 4Ps or more. International journal of marketing studies, 1(1), 2-15.



the decision to use the freight service of Kerry Express (Thailand) Co., Ltd. in Prachin Buri Province. The research methodology is as follows.

III. METHODOLOGY

The study of factors influencing the decision to use the freight service of Kerry Express (Thailand) Co., Ltd. in Prachin Buri Province aims to study the marketing mix factors in using the freight service of Kerry Express (Thailand) Co., Ltd. in Prachin Buri Province; the decision to use the freight service of Kerry Express (Thailand) Co., Ltd. in Prachin Buri Province; and to compare the decision to use the freight service of Kerry Express (Thailand) Co., Ltd. in Prachin Buri Province based on personal information. The marketing mix factors influencing the decision to use the freight service of Kerry Express (Thailand) Co., Ltd. in Prachin Buri Province are used to use the results of the study as a guideline for improving the factors influencing

A. Results of the study

Factors influencing the decision to use Kerry Express Co. freight services, Ltd. (Thailand) in the Prachin Buri Province. The sample group used in this study was freight service users from Kerry Express (Thailand) Co., Ltd. in Prachin Buri Province. A total of 400 questionnaires were used for data collection, and 400 questionnaires (100 percent) were returned. The results of the study were divided into five parts as follows:

Results of the analysis of marketing mix factors influencing the decision to use the freight service of Kerry Express (Thailand) Co., Ltd. in Prachin Buri Province.

Marketing mix factors	B	Std. Error	Beta	t	Sig	Test
(Constant)	.472	.156		3.018	.003*	
product	.064	.053	.048	1.206	.229	no
Price	.094	.042	.105	2.203	.028*	yes
Distribution channel	.076	.042	.080	1.805	.072	no
Promotion	.000	.030	.000	.004	.997	no
personal	.201	.038	.254	5.318	.000*	yes
Process	.083	.046	.094	1.792	.074	no
physical characteristics	.383	.041	.397	9.325	.000*	yes

* Statistical significance level at .05

The results of the analysis of marketing mix factors that influence the decision to use the freight service of Kerry Express (Thailand) Co., Ltd. in Prachinburi Province found that price, personnel, and physical characteristics influenced the decision to use the freight service of Kerry Express (Thailand) Co., Ltd. in Prachinburi Province at a statistical significance level of .05.

IV. SUMMARY, DISCUSSION AND RECOMMENDATIONS

The study on factors influencing the decision to use the freight service of Kerry Express (Thailand) Co., Ltd. in Prachin Buri

Province aims to study the marketing mix factors in using the freight service of Kerry Express (Thailand) Co., Ltd. in Prachin Buri Province, the decision to use the freight service of Kerry Express (Thailand) Co., Ltd. in Prachin Buri Province, and the decision to use the freight service of Kerry Express (Thailand) Co., Ltd. in Prachin Buri Province based on personal information and the marketing mix factors that affect the decision to use the freight service of Kerry Express (Thailand) Co., Ltd. in Prachin Buri Province. A total of 400 questionnaires were used as a tool for data collection, and statistics were used for data analysis, namely percentage, mean,

One-Way ANOVA hypothesis testing, and Multiple Regression Analysis. The results of the data analysis are summarized as follows:

Information on marketing mix factors in using Kerry Express (Thailand) Co., Ltd.'s freight service in Prachin Buri Province

From the study of the importance level of marketing mix factors using Kerry Express (Thailand) Co., Ltd.'s freight service in Prachin Buri Province, it was found that the product, physical characteristics, distribution channels, process, personnel, price, and marketing promotion in the overall marketing mix factors are very important, with the following details:

In terms of products, the results of the study are at the most important level, with the following details: At the most important level, 1 item, consisting of a variety of services covering needs, such as cash on delivery service, express parcel delivery At the very important level, 3 items, consisting of a system to check the location of the parcel to see where it is at the moment, boxes and envelopes of various sizes available, and parcels reaching the recipient within the time frame specified by the company

In terms of physical characteristics, the results of the study are at the very important level, with the following details: At the most important level, 1 item, consisting of the image of the operator being reliable and modern At the very important level, 3 items, consisting of the atmosphere and interior space being spacious and not crowded, with a spacious waiting area and parcel placement area There are enough equipment, such as pens, Scotch tape, glue, and clear signs.

In terms of distribution channels, the results of the study are at a very important level, with the following important details: four items are at a very important level, including a variety of service channels, such as cash on delivery, convenient location (e.g., being near home or work), sufficient parking, branches covering the area to support the needs of users appropriately, and various service channels, such as providing services via applications, websites, and storefronts.

In terms of processes, the results of the study are at a very important level, with the following important details: four items are at a very important level, including the appropriate waiting time for service, according to the queue received, the parcel reaches the correct recipient in a perfect condition, and is not damaged.

The problem-solving process is fast and employees can be contacted whenever problems arise.

In terms of people, the results of the study are at a very important level, with the following important details: four items are at a very important level, including: the employees are polite, friendly, and respectful of customers, employees provide useful information and services, and take care of customers thoroughly; the employees are skilled in solving various problems, and the shipping company employees provide advice and answer questions very well.

The results of this study are very important in terms of price. The details of importance are as follows: Four items are at a very important level, including various payment methods, such as online banking, credit cards, and bit cards. The service rate is worthwhile compared to the services received. Costs vary according to the type of service, and the service rate of each

type is appropriate for the delivery distance. In terms of marketing promotion, the results of the study are included at a very important level, with the details of importance as follows. The four items are at a very important level, including advertising and public relations through various media. Customer parcels were guaranteed at a reasonable rate. There are a variety of business partners, resulting in increased benefits and convenience, such as the collaboration between rabbit cards and line pay, and there is a discount when sending large quantities of products.

Data on the decision-making level of Kerry Express (Thailand) Co., Ltd. in Prachin Buri Province

From the study of the decision-making level of Kerry Express (Thailand) Co., Ltd. in Prachin Buri Province, it was found that the perception of needs, decision to purchase, evaluation of alternatives, behavior after purchase, and search for information in the overall decision-making process were at a very good level, with the following details:

The perception of needs, the results of the study, were at a very good level, with the following important details: two items were at the most agree level, consisting of wanting the parcel to reach the recipient safely, wanting the parcel to be delivered quickly to its destination, at a very agree level, with two items: expecting the convenience of using the parcel delivery service, and expecting advice or assistance from the service provider.

The decision to purchase, the results of the study, were at a very good level, with the following important details: two items were at the most agree level, consisting of deciding to use the service because of the efficiency and quality of the service, deciding to use the service because of a good experience from the previous service, at a very agree level, with two items: deciding to use the service by considering the reputation of the service, and deciding to use the service from a friend/lover/family recommendation.

The evaluation of alternatives, the results of the study, were at a very agree level, with the following important details: one item was at the most agree level, consisting of: the service is reliable, and the results of the study were at the very agree level with three items, including fast service, standard service, and sufficient facilities.

The results of the study were at the very agree level, with important details as follows:

A highly agree level with four items: will use the service again, being satisfied after using the service, recommending the service to acquaintances, and value for money of the service compared to the price paid.

Information search: The results of the study were at the very agree level, with important details as follows:

A highly agreed level with four items, including searching for information from websites and Internet media, asking for information from friends/lovers/family members, asking for information from employees or service providers directly, and searching for information from advertising media, public relations, and billboards.

V. DISCUSSION OF RESULTS

From a study on factors influencing the decision to use the delivery service of Kerry Express (Thailand) Co., Ltd. in Prachin Buri Province, the following issues are discussed:

A. Recommendations from the study

From the study of factors influencing the decision to use the delivery service of Kerry Express (Thailand) Co., Ltd. in Prachin Buri Province, the following recommendations were made:

In terms of products, service providers should provide a variety of services to meet their needs and have an accurate parcel-tracking system, clearly indicating the time the goods will arrive at their destination.

In terms of prices, service providers should increase the variety of payment methods, provide value for money when compared to the services received, and provide services that satisfy users.

In terms of distribution channels, service providers should increase the number of service channels, service formats, and contact channels to facilitate users. The location should be appropriate near communities.

In terms of marketing promotion, service providers should advertise via social media or influencers, organize sales promotion activities, provide discounts during festivals, and have parcel insurance at appropriate service rates for high-value parcels.

In terms of personnel, service providers should train their employees to have good information and knowledge about the service, provide information to answer users' questions, be polite and friendly, and respect users equally.

In terms of processes, the service provider should provide services in the order of queue, be fast in providing services, take care of the parcels of the service users thoroughly, deliver the goods to the recipients safely, and avoid damage to the goods.

In terms of physical characteristics, the service provider should create credibility in providing services to create a reliable image of the service provider, to give confidence to the service users, to have modern equipment and technology, and to have a spacious atmosphere in the shop, not crowded.

B. Suggestions for future studies

In future studies, other factors that are expected to affect the decision to use the delivery service of Kerry Express (Thailand) Co., Ltd. should be studied, expanding the scope of the population in other areas and comparing the results with this research to determine whether they are consistent or different.

REFERENCES

- [1] Banister, D., Anderton, K., Bonilla, D., Givoni, M., & Schwanen, T. (2011). Transportation and the environment. Annual review of environment and resources, 36(1), 247-270.
- [2] Banister, D., Anderton, K., Bonilla, D., Givoni, M., & Schwanen, T. (2011). Transportation and the environment. Annual review of environment and resources, 36(1), 247-270. <https://doi.org/10.1146/annurev-environ-032310-112100>
- [3] Goi, C. L. (2009). A review of marketing mix: 4Ps or more. International journal of marketing studies, 1(1), 2-15. <https://doi.org/10.5539/ijms.v1n1p2>
- [4] Grover, V., & Teng, J. T. (2001). E-commerce and the information market. Communications of the ACM, 44(4), 79-86. <https://doi.org/10.1145/367211.367272>
- [5] Holeczek, N. (2019). Hazardous materials truck transportation problems: A classification and state of the art literature review. Transportation research part D: transport and environment, 69, 305-328. <https://doi.org/10.1016/j.trd.2019.02.010>
- [6] Meyer, J. R. (1959). The economics of competition in the transportation industries (No. 107. Harvard University Press.
- [7] Phillips, D. M., & Phillips, J. K. (1998). A social network analysis of business logistics and transportation. International Journal of Physical Distribution & Logistics Management, 28(5), 328-348. <https://doi.org/10.1108/09600039810234906>
- [8] Pomprae, P., & Mahamud, T. Marketing Mix Factors that Affects Decision Making Use the Service of an Agent Company Import Export.
- [9] Pornpitakpan, C. (2000). Trade in Thailand: A three-way cultural comparison. Business horizons, 43(2), 61-70. [https://doi.org/10.1016/S0007-6813\(00\)88562-6](https://doi.org/10.1016/S0007-6813(00)88562-6)
- [10] Shafer, S. M., Smith, H. J., & Linder, J. C. (2005). The power of business models. Business horizons, 48(3), 199-207. <https://doi.org/10.1016/j.bushor.2004.10.014>
- [11] Goi, C. L. (2009). A review of marketing mix: 4Ps or more. International journal of marketing studies, 1(1), 2-15. <https://doi.org/10.5539/ijms.v1n1p2>
- [12] Grover, V., & Teng, J. T. (2001). E-commerce and the information market. Communications of the ACM, 44(4), 79-86. <https://doi.org/10.1145/367211.367272>
- [13] Holeczek, N. (2019). Hazardous materials truck transportation problems: A classification and state of the art literature review. Transportation research part D: transport and environment, 69, 305-328. <https://doi.org/10.1016/j.trd.2019.02.010>
- [14] Meyer, J. R. (1959). The economics of competition in the transportation industries (No. 107. Harvard University Press.
- [15] Phillips, D. M., & Phillips, J. K. (1998). A social network analysis of business logistics and transportation. International Journal of Physical Distribution & Logistics Management, 28(5), 328-348. <https://doi.org/10.1108/09600039810234906>
- [16] Pomprae, P., & Mahamud, T. Marketing Mix Factors that Affects Decision Making Use the Service of an Agent Company Import Export.
- [17] Pornpitakpan, C. (2000). Trade in Thailand: A three-way cultural comparison. Business horizons, 43(2), 61-70. [https://doi.org/10.1016/S0007-6813\(00\)88562-6](https://doi.org/10.1016/S0007-6813(00)88562-6)
- [18] Shafer, S. M., Smith, H. J., & Linder, J. C. (2005). The power of business models. Business horizons, 48(3), 199-207. <https://doi.org/10.1016/j.bushor.2004.10.014>