

## **THE EFFECT OF SERVICE MARKETING MIX FACTORS ON DECISION MAKING TO CHOOSE A NURSERY OF PARENTS IN MEANG CHONBURI DISTRICT, CHONBURI PROVINCE**

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### **ABSTRACT**

The present study aims to examine the effect of service marketing mix factors on decision making to choose a nursing home of parents in Meaung Chonburi District, Chonburi Province. Sample group was 400 parents who used a nursing home in Meaung Chonburi District, Chonburi Province. A questionnaire was an instrument in this study. The content in the questionnaire consisted of personal factors, the importance of marketing mix in decision to choose a nursing home, and decision making process to choose a nursing home. The data analysis was conducted by using SPSS for Windows. Descriptive statistics, i.e. frequency, percentage, average, and standard deviation; meanwhile, inferential statistics analyzed in this study was Multiple Regression Analysis.

The findings revealed that the service marketing mix factor, product, servicing process and physical evidence found the effect on decision making to choose a nursing home of parents in Meaung Chonburi District, Chonburi Province at the significant level of 0.01.

**Keywords:** Marketing mix factors, nursery, Chonburi

### **Background and significance of the problem**

Family institutions are considered to be the foundation of a society which molds and nurtures a family member, from a child to have a strong foundation ready to face the outside world and to be a quality person. Nevertheless, today the social and economic environment of Thailand has changed. At present, family members, both husband and wife are required to work and have job for which they are responsible to help generate income and stability for families. In addition, after the marriage, the family was separated into a nuclear family whose members are father, mother and children. Most of the children have been looked after by other people since childhood. Families may not be able to do the same duty as before because of their nuclear family. 20.52 million households were the total number of households in the country, and the 65.98 million people was the total population. In some families, there are only husband and wife. In other families, there are a husband, a wife and children. It was found that there were one third (34.9%) families with a husband, a wife and their children in the 2002. However, there are one quarter (27.5%) families with a husband, a wife and their children. in 2012. This showed that the number of the families with the husband, wife and children has decreased. The proportion of families living with spouses increased from 13.3% in 2002 to 15.7% in 2012, and this information is consistent with data from the families with grandparents and grandchildren, and they have tendency to increase to 29.9% in 2002 (National statistics office, 2010) Currently, there are about 3.8 million children in early childhood from newborn babies to 5-year-old children. The economic and family characteristics of a nuclear family make it impossible for parents to provide full care for their children, especially the families in urban societies whose characteristic is a large number of nuclear-families. This has changed a form of childcare according to the current environment. Parents turn to hiring other people to take care of their children, such as using the service from nursery or hiring a babysitter. (National Statistics Office, 2010).

Parents expect their children to be good people, have a good future and good education, but they have no time for their children because they have to work and to earn money for the family. Then, they send their children to a day nursery with the idea that they can take good care of them. If a day nursery is good, it is a good thing because children are given the skills to live with others, and they are developed and prepared for kindergarten and continuing education. However, if the parents sent their child to the unqualified center, there would be the problem later. If babysitters did not take good care of the children, and there were a lot of children in the same place, there would be health problems such as infection problem. If the day nursery did not have standard care, the children might experience an accident. Most importantly, the child will suffer from lack of warmth because the staff of nursery school cannot give thorough care.

Chonburi is a coastal city, seaport in ocean freight, and also a home to many large industrial estates. The province is divided into 11 districts, 92 sub-districts, 687 villages. Local administrative organization consists of provincial administrative organization, 2 municipalities which are Laem Chabang City Municipality and Chao Phraya Surasak City Municipality, 9 town municipalities, 29 sub-district municipalities, 56 sub-district administrative organizations and one special form of government, Mueang Pattaya, separated by the administration of Banglamung district because it is an international tourist destination with the rapid growth. There are 11 districts of Chonburi which are Mueang Chon Buri, Phanat Nikhom District, Phan Thong District, Banbueng District, Sriracha District, Ko Chan District, Bo Thong District, Nong Yai District, Bang Lamung District, Sattahip District and Koh Si Chang District. The population of Chonburi based on the registration certificates on December 31, 2014, the Central Registry of the Department of Interior, Ministry of Interior amounted to 1,421,425, consisting of 696,038 males and 725,387 females (Chonburi Provincial Office for Local Administrative, 2015)

According to the 2010 Census of Chonburi Province, it was found that the majority, 74.5% of

the population, lived in the municipality, and the remaining, 25.5 %, lived outside the municipality. Compared by the district, Mueang Chonburi had the largest population of 352,301 or 22.7%, followed by Banglamung district with 335,415 people or 21.6%, Sriracha district with 332,984 people or 21.4%. For Ko Si Chang, the least populated area, there were 3,113 people, or 0.2 percent. The total number of households in Chonburi is 599,735, and 597,249 were individual households, and 2,486 were group households (Workers' Households, institutional households). The average size of individual households was 2.5 persons and 33.2% of the households had female head (National Statistical Office, 2010). Because Chonburi Province is one of the eastern provinces and is an industrial investment source, the large industrial estates have emerged. This affects the influx of people entering the industrial estate. The population has flowed into the industrial estates and had their families. This makes the very good economy in the industrial estate. Business is growing and nursery schools are growing too (Chonburi Provincial Administrative Offices, 2015). At present, there is the increase of the day nurseries in Chonburi.

However, when comparing with the needs of parents, the researcher found that they do not satisfy the demand for this business. There are 82 nurseries in Chonburi, and the details are as follows:

1. Amphoe Mueang Chon Buri has 27 nurseries.
2. Districts of Banglamung has 12 nurseries.
3. Banbueng District has 3 nurseries.
4. District of Phanat Nikhom has 2 nurseries..
5. Phan Thong District has 1 nursery.
6. Amphoe Sriracha has 34 nurseries.
7. Sattahip District has 3 nurseries. (Department of Social Development Welfare, Ministry of Social Development and Human Security, 2015)

Therefore, the researcher is aware of the importance of factors affecting decision-making of parents living in the district in Chonburi Province. This study focuses on the strategic factors of nursery marketing that affect parents' decision to use nursery services. This study also promotes and takes the advantage of the marketing strategy and develops the nursery to meet the needs of parents.

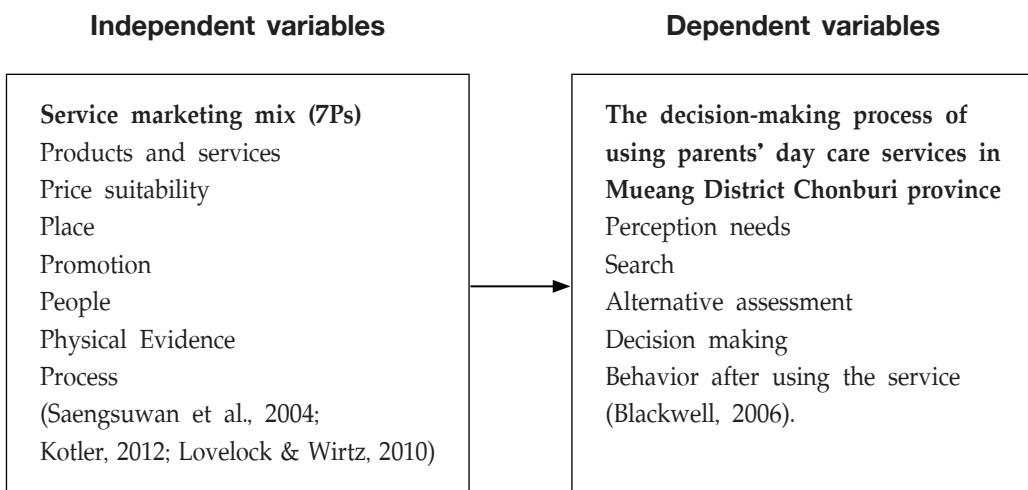
**Research Objectives**

To study the influence of the emphasis on marketing mix on the parent's decision-making process of choosing a day nursery in Amphur Mueang, Chonburi Province.

**Hypothesis of research**

The service marketing mix factors influenced the parent's decision-making process of choosing a nursery in Mueang District. Chonburi province.

**Research Framework**



### Theory of Strategy/ Service Marketing Mix

In previous theory, there were four main service marketing mix factors: product, price, distribution channels (place), and marketing promotion. Later, in the service marketing mix, three areas were added to suit the business. They are process, service personnel, and the creation and presentation of physical characteristics. Therefore, there are 7 service marketing mix factors:

1. Product: Child Development Center is a semi-service business. Therefore, the products of the child development center are tangible materials such as teaching aids, bedding, food; and non-tangible things, such as teaching activities, cleanliness, caring of teachers for students (Kotler, 2012).
2. Price: price refers to the tuition fee or service charge. Pricing must take target market segments or people who are likely to send their children to nurseries into account (Saengsuwan et al., 2004).
3. Place: place means building, location and environment. It must be located in a safe, non-polluting, hygienic area. Space for playgrounds is allocated with suitable and safe rides.
4. Marketing Promotion: Promotion means the channel to present goods and services that can attract customers to purchase the products and services offered. It also includes promotions to encourage purchases (Lovelock & Wirtz, 2010).
5. The process of service: Process means the convenience and speed that customers will receive from each purchase (Lovelock & Wirtz, 2010), which will bring the impression on goods and services (Saengsuwan et al. For the nursery, the entrepreneur should pay special attention to the quality of service and primarily take the safety of children into account.
6. Personnel: Personnel refer to all people of a day nursery, ranging from cleaners and teachers who need to be skilled and able to take care of young children. They must have sacrifice and pay close attention to the children (Saengsuwan et al., 2004).
7. Physical evidence and presentation: Physical evidence refers to the quality of service through the use of visible evidence, such as the creation of a clean, neat and pleasant nursery environment with

gated entrance and clean classrooms (Lovelock & Wirtz, 2010).

### The process of buying decision (Buying decision process)

Blackwell, (2006) discusses consumer buying decision process as a process of consumer buying.

5 steps of buying process are as follows.

1. Need recognition or problem recognition before making a purchase: Consumers must be motivated to purchase the product or service by realizing their problem or the need for having or using the goods and services.
2. Search for information: When consumers want to buy any services, consumers will try to find information about the products or services through various channels such as from friends, relatives, salespeople, television sites, or even try the sample to get information about the products or the service for purchasing decision.
3. Pre-purchase evaluation of alternatives: Once the information is satisfactory, consumers will use the derived information to evaluate the alternatives to use or purchase the products or services. It is estimated by quality, brand, price, service, distribution channel, etc. Consumers may evaluate the products which are expensive in details. However, some products may not be evaluated at all because they are inexpensive or they have used the product before and see that they are good, resulting in repeat purchases.
4. Purchase decision: When consumers evaluate goods and know the best product, consumers will make a purchase. Marketers need to study what motivates consumers to buy products and services so that they can properly plan marketing.
5. Post-purchase behavior: It is the behavior after consumers have used the product or services. They may be satisfied or dissatisfied. If they are satisfied, they purchase repeatedly. If they are not satisfied, they will search information again and buy another brand of products.

### Related Research

Ratanadechapitak (2009) studied on service

marketing mix factors affecting parents' decision to choose private nursery in Muang Chiang Mai. The results showed that the aspect of physical evidence factor that had the highest average was a fence to enclose the area. The aspect of process factor that had the highest average was record and evaluation for growth, behavior and development of children in all age groups. For example, they record children's physical, mental, emotional, social attributes in every six months. The aspect of product that had the highest average was teaching activities that were consistent with the development of children. These results were consistent with another researcher's study.

Sutthisarn (2010) whose research title was "Demand for Nursery in Khlong Luang District Pathum Thani Province suggested that most parents who worked from home also had need to have a nursery school take care of their children after school hours because they sometimes had to run an errand. This type of service would influence parent's decision-making to choose the nursery school.

### Methodology

In conducting research whose title was Service marketing mix factors influencing the decision-making process in the selection of nursery services of parents in Muang District Chonburi Province. the researcher studied, and collected information with survey research, in which the researcher had to invent a questionnaire with the choice of answers and open-ended questions so that the respondents were free to give comments. In addition, the researcher used statistical methods to verify the hypothesis. The samples used in this study were parents who used services from 27 nurseries in Mueang District, Chonburi Province. The sample size could be calculated by using the formula of

Moser and Kalton (1972) for unknown number of consumers. The confidence was determined at 95% , and error of estimation was not more than 5%. The sample size was  $n = 384.16$ . or 385 people and to prevent errors from incomplete survey responses the researcher then added 15 additional samples, so the total was 400 samples.

### Statistics used in research.

Multiple linear regression analysis was used to test for autocorrelation by the test method of Durbin-Watson statistics. The statistical value was determined between 1.50 and 2.50 (Prabaripai, 2004). There was also the test of the correlation between independent variables (Durbin-Watson Testing multicollinearity) by considering the value of Tolerance. If Tolerance was greater than 0.1, this showed that the independent variables did not correlate each other (Menard, 1995). By considering the Variance Inflation factor (VIF), the researcher found that if the VIF value was less than 10, it showed that the independent variables did not correlate (Myers, 1995).

### Research results

Summary of hypothesis testing results

Hypotheses : Service marketing mixes influence parents' decision-making process of using day nursery in Mueang Distric, Chonburi Province.

$H_0$ : Service marketing mix factors influencing parents' decision making process of day nursery in Mueang District, Chonburi are not different.

$H_1$ : Service marketing mix factors influence parents' decision making process of day nursery service in Mueang District, Chonburi Province are different.

The results of the research showed that service marketing mix factors: product, process of services, and physical evidence had significant effects on decision making at the 0.05 significant level, as shown in the table.

Table 1 Multiple linear regression analysis used for the test of the relationship between service market mix factors and parents' decision-making process of day nursery service in Mueang District, Chonburi Province.

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Tolerance	VIF
	B	Std. Error	Beta				
Constant	1.045	0.200		5.215	0.000**		
x <sub>1</sub>	0.169	0.069	0.146	2.449	0.015*	0.418	2.392
x <sub>2</sub>	0.060	0.048	0.065	1.264	0.207	0.572	1.748
x <sub>3</sub>	0.019	0.050	0.022	0.389	0.697	0.487	2.054
x <sub>4</sub>	-0.039	0.045	-0.041	-0.869	0.385	0.687	1.456
x <sub>5</sub>	0.029	0.057	0.033	0.514	0.608	0.368	2.715
x <sub>6</sub>	0.378	0.061	0.398	6.225	0.000**	0.364	2.744
x <sub>7</sub>	0.119	0.057	0.118	2.112	0.035*	0.481	2.080
R	0.645						
R <sup>2</sup>	0.416						
Adjust R <sup>2</sup>	0.405						
F-ratio	39.82	(0.000**)					

The dependent variable is decision making.

\*p-value < 0.05

\*\*p-value < 0.01

Table 1 showed that the F statistic test revealed that the p-value = 0.000, which was less than the significance level of 0.01. This showed that at least one marketing mix could predict the variance of the dependent variable which was decision making to use day nursery. The results of the t-test with

the multiple regression analysis showed that the market mix factors : product, service process and physical aspect influence the decision-making at the significance level of 0.05. Thus, the equation can be expressed as follows.

Table 2 Relationship analysis using multiple linear regression (Enter Multiple linear regression analysis) to see the relationship between marketing factors :products, service process and physical evidence and decision-making aspect

Model	Unstandardized coefficients		Standardized coefficients	t	p-value	Tolerance	VIF
	B	Std. Error	Beta				
Constant	1.062	0.189		5.613	0.000**		
Product (X <sub>1</sub> )	0.195	0.064	0.169	3.053	0.002**	0.487	2.051
Process of service (X <sub>6</sub> )	0.406	0.049	0.429	8.276	0.000**	0.554	1.806
Physical evidence (X <sub>7</sub> )	0.132	0.052	0.131	2.533	0.012*	0.559	1.788
R	0.642						
R <sup>2</sup>	0.412						
Adjusted R <sup>2</sup>	0.407						
F-ratio	92.321 (sig = 0.000)						
Durbin-Watson	1.736						
The dependent variable is decision making.							

\*p-value < 0.05

\*\*p-value < 0.01

From table 2 the results of the F test showed that the p-value = 0.000, which was less than the significance level of 0.01. This revealed that at least one marketing mix could predict the variance of the dependent variable that was decision making to use the service for a day nursery in Mueang District, Chonburi Province. The results of the t-test with multiple regression analysis revealed that the marketing mix influenced the parents' decision-making process in assessing the choice of nursery care in Mueang District, Chonburi Province. The results are as follows:

$$\begin{aligned} \text{Unstandardized } \hat{Y} &= 1.062 + 0.195X_1^{**} + 0.406X_6^{**} \\ &\quad + 0.132X_7^* \\ \text{Standardized } \hat{Y} &= 0.169X_1^{**} + 0.429X_6^{**} \\ &\quad + 0.131X_7^* \end{aligned}$$

These equations showed that there was sufficient information to reject the null hypothesis  $H_0$  at 0.05 significance level. There were at least three marketing mix factors affect the decision-making process of

parents in selecting nursery services in Mueang District, Chonburi Province.

### Discussion of the results of the research.

The results of the test of hypothesis revealed that marketing factors influenced the parent's decision-making process of choosing a day nursery in Mueang District, Chonburi Province. It was also found that the product mix market, the process of service and physical evidence had a significant effect on decision making at 0.05significance level due to the fact that all parents cared about their children. These factors include: 1) product factors such as learning activities that enhance the child's appropriate development, and suitable and diverse instructional media and after school daycare in case parents have to run an errand or have to pick up their child late. Therefore, day nursery might have service to take care of the children on weekends or public holidays, 2) process factors such as convenient and fast enrollment, payment for tuition fees and provision of contact details. Moreover, the nursery was managed with the

standard of Department of Health. There should be shuttle services with the standard of the Department of Transport, and 3) Physical factors, for example the nursery was spacious, shady, ventilated, and secure with fence enclosing the area and clean and beautiful classrooms. There was adequate lighting and ventilation in the classroom, bedroom, canteen, first-aid room, and bathroom. The furniture such as desks and chairs was in good condition. The clothes and bedding were clean and tidy, and the place was well-ventilated, well-spaced, well-defined area of the classroom, bedroom, dining room, and bathroom. The results were consistent with Rattanadeepitak's research (2009), entitled "Decision of Parents in Choosing Private Nursery in Amphoe Mueang, Chiang Mai". The results showed that the aspect of physical evidence factor which had the highest average was fence enclosing the area. The aspect of process factor that had the highest average was record and evaluation for growth, behavior and development of children in all 4 areas, namely physical, intelligence, mental or emotional, and social attributes. For example, they record children's physical, mental, emotional, social attributes in every six months. The aspect of product that had the highest average was teaching activities. These results were consistent with another researcher's study entitled "Demand for Nursery in Khlong Luang District Pathum Thani Province". In the study, it was found that most parents who worked from home still had a need for after-school childcare service, which would influence their decision-making.

### Research recommendations

Based on the research entitled "The Effect of Marketing Mix Factors on Parents' Decision to Choose a Nursery in Mueang District, Chonburi Province", the researcher has given the following recommendations:

#### 1. Policy recommendations

From the study entitled "The Effect of Marketing Mix Factors on Parents' Decision to Choose a Nursery in Mueang District, Chonburi Province", it was found that marketing mix factors in product, service process and the physical evidence influence decision-making. Therefore, there must be a focus on

development of these service marketing mix factors.

#### 2. Actions are suggested as follows:

##### 2.1 Improvement of the marketing mix factor in the service process.

2.1.1 Education, curriculum, personnel, teachers, and caregivers should be enhanced to meet the standards to support the opening of ASEAN community. For example, there should be cooperation with the public sector in the training, or the nursery school should send the staff to attend training with the public and other private sectors.

2.1.2 The quality of staff's operations and services should be improved with the distribution of a questionnaire so parents or nursery users can evaluate the operation of the nursery and the services of the staff of the nursery.

2.1.3 More resources and database of childcare information should be provided for parents to have a fast and convenient access. This supports the haste of the society of people who worked outside. The information can be provided by creating electronic pages, Facebook, Instagram, and other media to facilitate the access to nursery information.

2.1.4 Channels for payment of tuition fees should be added and there should be various ways to facilitate parents by using bank channels and other various systems.

2.1.5 There should be more shuttle busses to pick up children and they should have standard specified by the Department of Transport. In addition, a teacher or a caretaker should be appointed to assist children while traveling to and from the nursery school to ensure parents for the safety and to relieve parents' worries.

##### 2.2 Improvement of Marketing Mix Factors

2.2.1 Location should be managed to be appropriate and diverse to enhance the learning environment for children, such as playgrounds, gardens and equipment in the classroom to make children more interested in learning.

2.2.2. The nursery should be improved and maintained to be a safe, hygienic, clean and



shady place with good ventilation for children.

### 2.3 Improvement of marketing mix.

2.3.1 A plan of instructional management should be developed to focus on developing skills in areas such as language, computer, music, art, and there should be diverse activities to support children of different ages.

2.3.2 Extra services should be provided for the childcare after school, or on Saturday or Sunday to support in case parents have to run an errand or work overtime on weekends or on holidays. It was also found that most parents work for a private company. . Improvement in this area can be an option for parents.

2.3.3 There should be a proper registration of nurseries in accordance with the Office of Social Development and Welfare. In addition, the nursery should have a certificate and it should be assessed and verified annually to guarantee that the nursery is efficient.

### Suggestions for the further research

Based on the results of the research, the researcher gave the following suggestion for further research:

1. The researcher collected only information on the nursery in Mueang District, Chonburi Province In the next research, there may be research in other districts, such as Sriracha, Panthong, which are important economic sources with a lot of registered nurseries.
2. More qualitative research should also be done. Therefore the results can give good supplement to the findings. This can be done by interviewing nursery entrepreneurs about their business management, so that the information can be beneficial to improve the nursery more appropriately.
3. The demand and supply quantity should be studied to see whether the number of nurseries is enough for the demand in Mueang District, Chonburi Province
4. The guidelines for early childhood education should be studied in order to develop nurseries in Chonburi Province.

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