

CHAPTER 5

CONCLUSION AND RECOMMENDATIONS

This chapter contains three main sections: summary of the study, discussion of the major findings, limitations and recommendations for further studies.

CONCLUSION

This study was conducted with fifty customers, who bought Nutrilite products from Amway Company. The purpose of the research is to explore the factors affecting the buying decision of the customers towards Nutrilite products and other dietary supplement food products. The data from the questionnaire were tabulated and analyzed to answer two research questions as follows:

1. What are factors affecting the buying decision of the customers towards Nutrilite dietary supplement food products?
2. What are important factors customers consider when buying the dietary supplement food products available in the market?

FINDINGS AND DISCUSSIONS

The findings of this study revealed that gender, age, status, education level, occupation, and income were significant factors affecting the buying decision of Nutrilite customers. From the data gathered, most of the Nutrilite customers were self-employed and students, both male and female between the ages of 19 – 39. Only 10% of the customers were above 40 years old. The result also showed that the majority of Nutrilite customers hold a bachelor's degree or above and their monthly income was 20,000 baht or above. This could be possibly stated that Amway aimed to attract the self – employed people who were able to buy the product at a premium price.

The following are the major findings addressing the research question posed in the study.

Research question 1: What are factors affecting the buying decision of the customers towards Nutrilite dietary supplement food products?

From the study, it could be concluded that the customers considered almost every marketing mix when making a decision to buy Nutrilite dietary supplement food products buy the finding revealed that all customers (100%) considered the product, promotion and physical evidence mix the most important factors concerning buying decision. Additionally, people and process were considered important as well.

According to the three factors or Marketing mix, product, promotion and physical evidence, the results were as follows: for the product mix, it was found that all customers confirmed that FDA approval, natural ingredients, and various qualities (weight loss, weight gain, and good health) were considered the most important when they buy Nutrilite product. The finding could be ascertained by Boonchukuekoon (2001), who studied factors affecting buying decision of dietary supplement food and found that most respondents rated product mix, FDA Approval and natural ingredient, as the most important factors when they made a decision to buy a dietary supplement product.

For the promotion mix of sales promotion, the findings of this study revealed that all customers accepted that after – sales services and special discount were the most important factors for choosing Nutrilite products. The findings are supported by the study of Tripattanasuwan (2006) on product mix and integrated marketing communication (IMC) affecting buying behavior of “Nutrilite” dietary supplement products. She found that after-sales services and special discounts were considered highly important when compared with other sales promotions.

Regarding the physical evidence mix, all customers indicated that the expectation of product result and service were considered very important when they purchase Herbalife products. The results could be ascertained by a study of the consumer behavior of Suprederm customers by Kwanpare (2003). He found that when customers decided to buy a dietary supplement product, they always focus on quality, FDA approval, ingredients, and reputation of the company of those products. After they decided to buy one product, they expect the good results and services at high level.

This could be concluded that these three factors: product mix, promotion mix, and physical evidence mix were the main factors to be considered when people decided to buy Herbalife’s products.

In addition, people mix and process mix are other two important factors. Chaihiranpattana (200) who studied factors influencing direct sales business: a case study of Amway company. She stated that customers

wanted a good product as well as a good service in direct sales business. It could be concluded that the good personalities of distributors who could provide the customers enough information, were the essential factors in direct sales business.

Lastly, Nutrilife distributors of Amway have their own “Before – After” album which provides the pictures of themselves and others who use products and get a good result to convince customers. Customers consider this factor as an important reason to choose the products as well.

To sum up, when the customers decided to buy Nutrilite product, they considered the product, promotion and physical evidence mix the most important factors concerning buying decision.

Research question 2: What are important factors customers consider when buying other dietary supplement food products available in the market?

The study revealed that most customers considered the product mix and price mix the most important factors concerning buying decision of other dietary supplement products available in the market.

This study indicated that the factors aforementioned were rated at a high level. The findings are supported by the study of Hantakul (2002). Who studied factors effecting dietary supplement. The results indicated that price and product are the important factors when they decided to buy or not to buy the products.

Interestingly, the promotion mix or advertising factors were not rated as important. The advertising in the internet, radio, and magazine was not rated as an important factor. Whereas, television advertising was rated “somewhat important” (90%). It could be assumed that the advertising in the internet, radio, and magazine were not interesting enough to attract the customers, however, customers gained information about the products from television. This result is supported by Tubweij (2004)., who studied the satisfaction of receiving information from medias. She found that television played a crucial role as most people confirmed that they could easily get information from TV advertising.

Regarding the customer’s behavior of Nutrilife product use Nutrilife was because they wanted a better health. Moreover, other factors are that they got information from friends and Medias and they decided to buy Nutrilite products themselves. The finding is supported by Eamsiri (2002) who studied factors affecting buying decision of Garcenia GTH products. The finding showed that people – bought the products because they

were health concerned. The gathered information from their friends and medias and then they made a decision to buy the products themselves.

Regarding order process, most customers (96%) ordered Nutrilife from their own distributor because it was easier than ordering products from the warehouse; they do not need to fill in the order form and they do not need to order products at least 2,600 baht per time for free delivery. On the other hand, when they order products from their distributors, they just call their distributor and make an appointment where to get the products. This process is a lot easier and matches their desire.

In terms of the frequency of buying Nutrilife products, most customers (90%) bought the products once a month. It is because each product can be consumed within a month.

In terms of the amount of purchasing at a time, most customers were willing to pay about 4,800 or 4,100 baht. Normally, Herbalife sells their products in sets but the two popular sets are the “Ultimate” set which cost 4,800 baht and the “Advanced” set which cost 4,100 baht.

In conclusion, the customers thought that the need of good products and good services were much more important. The price, however, was a secondary decisive factor. On the other hand, when customers decided to buy. Therefore, Nutrilife distributors should take this point into account to create the customer loyalty to the brand. According to the survey of the Siam Commercial Bank Research (1998), they found that when starting up a business, the price and the quality of the products should be the first two things to take into consideration, buy when the customer had already chosen the products, and if the products could satisfy the customers, the price was not a major concern.

The findings and the data of this study can be used as a guideline for the owners or the distributors of the dietary supplement food products’ companies to enhance the businesses, and for the new beginners who want to start a health business successfully.

Nevertheless, the owners or distributors should give equal importance to all the factors concerning buying decision because nowadays customers have more choices for the products. This can be ascertained according to Waller (1996), customers were increasingly open to new ideas, and they were subjected to new ideas and standards. Consequently, needs are continuously changing and customer have become more demanding. For these reasons, the success of any brand of dietary supplement products depends on a number of

factors; product, price, place, promotion, people, process, and physical evidence. If orchestrated well, these elements are a recipe for success and will certainly ensure re – ordering in the future.

LIMITATIONS AND RECOMMENDATIONS FOR FURTHER STUDIES

The limitations of this study are three folds. Firstly, the data was collected from only fifty customers who bought Nutrilife products from Amway Company. Hence, further study should explore the factors on buying decision of a larger number of customers towards Nutrilife products in other companies such as “WBS”, “Mind and Care”, and others that do marketing for Nutrilife products in Bangkok or other provinces. Since, a larger numbers of respondents for the study will yield more accurate and reliable data.

Secondly, the current study aimed to study and examine the marketing mix of Nutrilife and any brand available in the market only on customers’ response to the questionnaire. Thus, it could be done with an in-depth interview and/or other open ended questionnaire which may reveal the customers’ individual attitudes more thoroughly.

Thirdly, this study focused on marketing mix or 7 Ps of buying decision on dietary supplement products but other research emphasized the 4 Ps only. So, the results of 7 Ps in other studies to support the findings of this study were not found. The future study should focus not only on 4 Ps buy also on 7 Ps for buying decision on other brands of dietary supplement products.

Fourthly, the findings showed that the majority of the respondents were 18 – 39 years old because the party was held in the evening so people who come to the party were mostly consisted of teenagers and middle – aged people. So, further study should select a place or an event which can be distributed evenly among all ages.

Lastly, this research was using comparison between Nutrilife and other dietary supplement products which did not have the same product range and services. Therefore, further study should compare companies which offer similar product range and services.