

MARKETING OF EDUCATION BUSINESS TO RESPOND TO THE NEEDS OF GEN Y CONSUMERS: A CASE STUDY OF SMART BRAIN FRANCHISE BUSINESS IN SA KAEO PROVINCE

Jidapa Tulachom¹

Teetut Tresirichod²

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Abstract

The study attempts to study marketing of education business to respond to the needs of and to compare marketing of education business to respond to the needs of Gen Y consumers. The population in this study were 380 parents of Gen Y consumers using questionnaire as the research tool. Computer software program was utilized to analyze the data and the statistics used were frequency, percentage, average, standard deviation, stepwise multiple regression analysis, and One Way ANOVA.

The findings revealed that: 1) The personal factors of Gen Y consumers in Sa Kaeo Province found that the majority were lower Gen Y (age of 25-29 years old), follow with upper Gen Y (age of 30-34), and teenager Gen Y (age of 15-24), respectively; 2) The study on marketing of education business responding to the needs of Gen Y consumers shows that the majority of the subjects thought that place for distribution and after-sales service should be utilized, follow with the product design, establishing the brand, and marketing; 3) Distinguish characteristics of Gen Y consumers that business sector should emphasize involving selected consumers and flexible to technology at the percentage of 46; and 4) When comparing marketing of education business to respond to the needs of Gen Y consumers classifying by sub-groups of Gen Y consumers, it was found that Gen Y consumers expressed their thought toward marketing of education business to respond to the needs of Gen Y consumers with no statistically significant level.

Keywords: Gen Y Consumers, Education Business, Marketing of Education Business

¹ Business Administration students, Graduate School of Commerce, Burapha University, 139 Longhaad Bangsaen Road, Saensuk, Mueang, Chonburi 20131

² Advisor in Business Administration, Graduate School of Commerce, Burapha University, 139 Longhaad Bangsaen Road, Saensuk, Mueang, Chonburi 20131
E-mail: teetut@buu.ac.th

Introduction

Generation Y (Gen Y) or Millennial Generation (Gen M) are people born in the years 1981-2000, which is the time when the world has entered the information age. Currently, these people are aged 21-40 years old. This consumer group is the high purchasing power segment, when coupled with the influence of digital technology, they have higher demand and expectation than their predecessors. The growth of startup companies (doing business where business owners starting to do from the first step and expand to the large) around the world trying to meet the needs of the Gen Y group in all dimensions, both products and services. The businesses should accelerate their focus on the Gen Y segment, as they are the largest today and will likely continue to be the largest in the future. (Don Tapscott, 2009)

From the survey of the consumer market in Thailand found that the five key features of Gen Y that businesses should focus on are: Tech-savvy, social, data-driven, selective, and financially literate. These five attributes tend to stick with these consumers over every age group. The business sector should find suitable strategies to be successful with this target audience. Some businesses may have products that can immediately respond to Gen Y, such as IT products, while certain businesses such as financial services and the service sector might not have. Business should prepare in advance to face opportunities and challenges as demand for Gen Y products and services that will rise in the next few decades. In any case, businesses must "transform" their business model to stay competitive in this new consumer market. (Siam Commercial Bank, 2014)

Based on the aforementioned concepts and reasons, the researcher is interested in studying the marketing of education businesses that meet the needs of Gen Y consumers: a case study of the smart brain franchise business in Sa Kaeo Province. This research will benefit the development of the organization to be readily available in the educational business and can continue to create success for the organization in a stable and sustainable manner.

Research Objectives

1. To study marketing of educational businesses that meet the needs of Gen Y consumers.
2. To compare the marketing of education businesses that meet the needs of Gen Y consumers.

Research Hypothesis

1. Education business marketing to the needs of Gen Y consumers is different.
2. The key features of the Thai Gen Y group that businesses should focus on affect the marketing of education businesses that meet consumer needs.

Research Conceptual Framework

The researcher has formulated a conceptual framework from compiling and studying relevant research papers, including theoretical concepts of business educators and business administration

experts, applied to Phillip Kotler's marketing mix concept which the researcher uses as a study guideline. (Thaipublica, 2013) The conceptual framework can show as in figure 1.

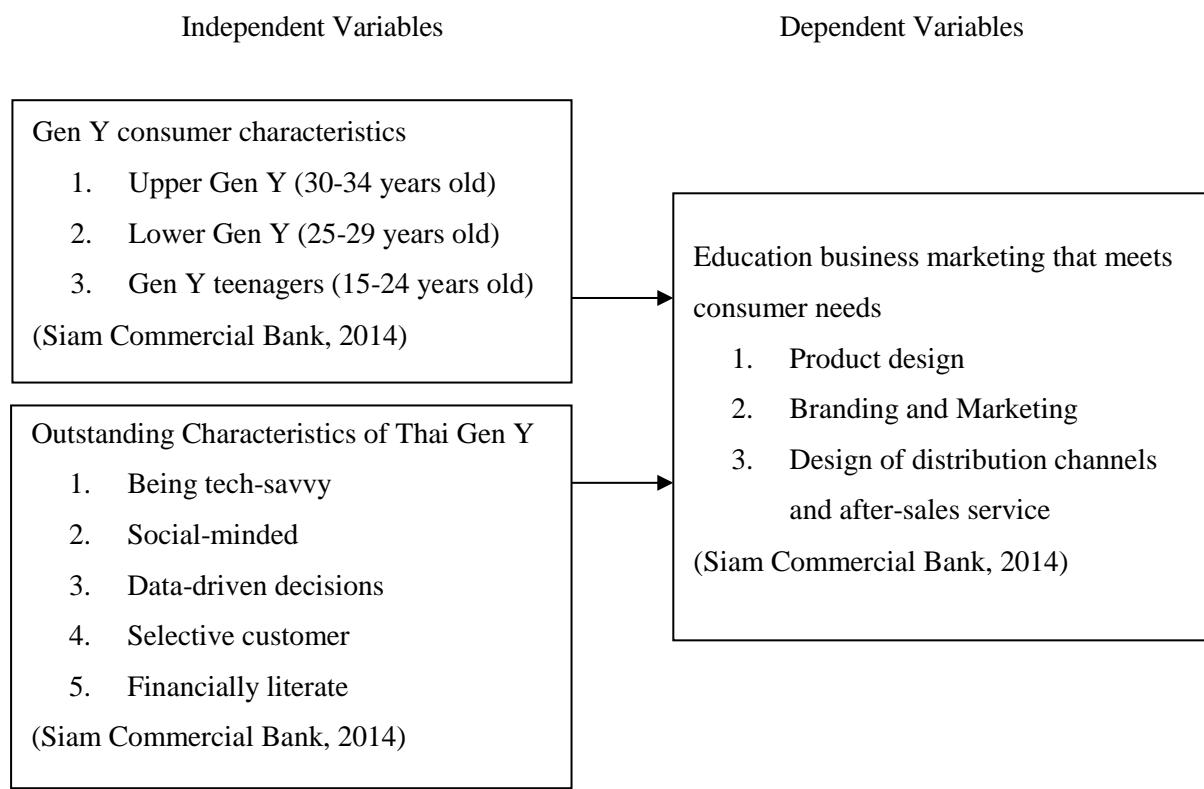


Figure 1 Research Framework

Research Method

The researcher used the quantitative research and using questionnaire to collect data from the sample group in the form of close ended questions, the data were then analyzed statistically by a computer program. The sample group used in the research is 380 Gen Y consumers in Sa Kaeo Province. The tools used for data collection were the business marketing questionnaires that addressed the needs of the Gen Y consumers, and the Thai Gen Y characteristic questionnaires that businesses should focus on.

The researchers used the data obtained from the collection to analyze the data according to the check list questionnaire using frequency and percentage. The closed-ended questionnaire was estimated at five levels, using mean and standard deviation. Analysis of the key characteristics of Thai Gen Y that businesses should focus on using the analysis of multiple regression in a stepwise method and to compare the marketing differences of the study businesses that responded to the needs of Gen Y consumers in each group using One-Way ANOVA Analysis of Variances.

Research Findings

The research can be summarized as follows:

1. The sampling of Gen Y consumer are the consumers in Sa Kaeo Province, most of them are lower Gen Y (25-29 years old) followed by upper Gen Y (age 30-34) and teenage Gen Y (15-24 years old).
2. Education business marketing that meets the needs of most Gen Y consumers are better distribution channel design and after-sales service, followed by product design. The branding and marketing should be applied accordingly.
3. The key features of the Thai Gen Y that businesses should focus on include: 1) being tech-savvy, 2) social-minded, 3) data-driven decisions, 4) selective customer and 5) Financially literate.

The qualifications that can predict the market of educational businesses with the statistical significance are selective customer and begin tech-savvy Gen Y consumers which are able to predict the marketing of the education business for 46%.

Table 1 An analysis of Outstanding Characteristics of Thai Gen Y affecting Education business marketing that meets consumer needs

Variables	b	S.E.	Beta	t	Sig
(Constant)	2.63	0.74		3.15	0.000
Selective customer	0.42	0.12	0.31	4.02	0.001
Begin tech-savvy	0.61	0.25	0.66	3.12	0.000

*Significantly at a level of 0.01

Adjusted R² = 0.46; Durbin-Watson = 1.05

4. Comparisons marketing of the study business that address the needs of Gen Y consumers classified by Gen Y consumers in each group found that Gen Y consumers have an opinion on the marketing of the study businesses that meet the needs of the Gen Y consumers. The needs of Gen Y consumers were not significantly different.

Table 2 An analysis of variance of educational businesses that meet the needs of Gen Y consumers Gen Y consumers

Variance	SS	df	MS	F	Sig
Between Groups	982,409,332.7	3	327,102,111.80	1.456	0.327
Within Groups	25,510,875,139.0	96	243,333,949.42		
Total	24,492,183,475.2	98			

*P < 0.05

Discussion

From the research results mentioned above, the research results can be discussed as follows.

1. Education business marketing that meets the needs of Gen Y consumers with a focus on lower Gen Y (25-29 years old) according to the Price Waterhouse Coopers study (PwC, 2013) mentions Millennials, or Generation Y, that they will account for 80 percent of the total workforce in 2016. The business should use a strategy to design distribution channels and after-sales service. This is in line with Natta Changchutoe (2014) research, which studies an analysis of marketing communication factors for online businesses in Thailand. The study has important recommendations that businesses should create brand value and differentiate it for the selling point of the website by using strategies to create a good customer experience. By having good website features, beautiful website design, and easy access will offer unique products through accurate, clear, up-to-date information. Personalized customer relationship management strategies should also be used with the engagement strategies to generate positive referrals. Consistent with Wandee Ratanakaikaew (2011) research, study on shopping behavior in social network Facebook: a case study in Bangkok. The results of the research are service marketing mix factors affecting product purchase in distribution channels. There is an important suggestion from the research that sellers of products in social networks should develop a marketing mix strategy that is appropriate and able to meet the best needs of consumers.

2. Outstanding characteristics of Thai Gen Y that businesses should focus on is a selective Gen Y consumer. This is in line with the Siam Commercial Bank (2014) study that has presented Gen Y's distinctive characteristics as tends to select only the quality and desired products and services because Gen Y has access to a large number of resources online and offline. Therefore, they tend to compare their data until the best option is found. This is in line with Weerapong Chutipat (2013) concept, mentions the attitudes, ideas and habits of Gen Y consumers that they like to study products from "Internet" or "Social Media". When Gen Y consumers want to buy IT products or discretionary goods, they find information from the Internet or social media. For Gen Y consumers with technology agility, it aligns with a study by Kanpicha Kengkarnchang (2013) presented the characteristics of the Gen Y group as having a keen interest in technology, ingenuity, creativity in problem solving, ability to search for information and use electronic media, and is capable of multitasking. This is in line with the Siam Commercial Bank (2014) study that presented the outstanding characteristics of the Thai Gen Y group as being technology agility. This consumer group grew up with computers and the Internet. Business operators should use technology to their advantage and find channels to reach consumers in order to meet the needs of this group of consumers. This is also consistent with the research of Patra Ruangsawat (2010) that studies lifestyle and social networking behaviors of working people in Bangkok. The research results found that most of the samples were members of the social networking website Facebook which shows that these consumers are technology agile and able to access information online as well.

3. Marketing Comparison of educational businesses that meet the needs of Gen Y consumers have no different opinions about business marketing. Therefore, education marketing that meets the needs of Gen Y consumers should include the three marketing mixes, which are: 1) product design, 2) branding and marketing, and 3) distribution channel design and after-sales service. This is consistent with the research of Rintra Kaewpradit (2012) that studies influencing factors of parents' tutoring school selection of primary school students in Ubon Ratchathani Municipality, Ubon Ratchathani Province. The results of the study found that the factors that influenced the choice of tutoring school of parents were: physical environment, human resources, curriculum and learning materials, and marketing promotion. Consistent with Wandee Ratanakaikaew (2011) research, study on shopping behavior in social network Facebook: a case study in Bangkok. The research results revealed that the factors of the service marketing mix affecting the acceptance of purchasing decisions are as follows: distribution channel, price, product, marketing promotion, personnel service processes, creating, and presenting physical characteristics. This is consistent with Saowalak Chong-Aksorn's research (2010) study the marketing factors in the selection of a mathematics tutoring school of the parents of 6th grade students in Surat Thani Province, Nakhon Si Thammarat Province, and Songkhla Province. The study results revealed that the importance of marketing factors in choosing a mathematics tutoring school of the parents were the quality, product composition, process aspect, pricing, other costs of users, personnel, evidence object, marketing promotion, and customer education. This is consistent with Orawan Wannachot (2008) research study on the synthesis of research on marketing factors and consumer purchasing behavior through e-commerce systems in Thailand. The results of the study revealed that the marketing factors affecting consumers' buying behavior through e-commerce systems through factor of product, price, distribution, and promotion. This is in line with Thichanan Duangchan (2007) research on factors influencing the selection of tutoring schools of parents for the 5th and 6th grade students in Chiang Rai Municipality. The results of the study showed that the parents had opinions on the factors influencing the selection of tutoring schools according to 7P's principles as the factor of product, distribution, personnel, physical characteristics, and the process aspect is at a high level.

Research Suggestion

From the results of this research the researcher would like to suggest the following guidelines and guidelines.

1. Suggestions for marketing of educational businesses that meet the needs of Gen Y consumers

1.1 Products should be meticulously designed to meet or exceed Gen Y expectations and should introduce new products to meet market opportunities that meet their goals. As well as should develop existing products in order to meet the needs and satisfaction of consumers more than ever and to maintain the existing customer base.

1.2 Branding and marketing should focus on presenting businesses with a high level of psychological value by making consumers perceive them as special people. It should showcase your business through social media, online advertising, online video, mobile applications, and blogs. Including choosing to use influential presenters in the Gen Y group.

1.3 Distribution channel design and after-sales service should make a positive first impression that the customer feels and continued reinforce that the impression. Distribution and service channels should be designed that are convenient and fast throughout the purchasing process.

2. Recommendations for the key features of Thai Gen Y that businesses should focus on.

2.1 For the selective customers, the business operator should offer new quality products that are unique and meet the needs of Gen Y consumers with honest and straightforward marketing.

2.2 For consumers with technology agility, businesses should offer products that communicate via e-mail, mobile technology, the Internet, and online media because Gen Y consumers use computers and the Internet in their daily life and enjoy their work and personal life on devices with a monitor.

3. Suggestions for further research

3.1 There should be a research study on marketing of education businesses that cater to the needs of other consumer groups, such as Gen X consumers (born 1965-1980), Gen C consumers (new demographics that based on the digital age enthusiasm rate), etc.

3.2 There should be a research study on education marketing that addresses the needs of Gen Y consumers through qualitative research methods.

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