A STUDY OF THE RELATIONSHIP BETWEEN SELECTED FACTORS AND DECISION TO ENROLL IN A FRANCHISED ENGLISH LANGUAGE SCHOOL IN BANGKOK BY POTENTIAL STUDENTS

By

WANWIMON PARAPOB

A Thesis Submitted in Partial Fulfillment of the Requirements for the Degree of

Master of Business Administration

Graduate School of Business
Assumption University
Bangkok Thailand

September 2003
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Examination Committee:
1. Dr. Theerachote Pongtaveewould (Advisor)
2. Prof. Navin Mathur (Member)
3. Dr. Ishwar C. Gupta (Member)
4. Dr. Pimporn Chandee (Member)
5. Assoc. Prof. Wirat Sanguanwongwan (MUA Representative)

Examined on: 23 September 2003
Approved for Graduation on:

Graduate School of Business
Assumption University
Bangkok Thailand
September 2003
Abstract

This research is conducted to achieve three objectives: to identify factors affecting the decision of prospective students in seeking enrolment in a franchised English language school in Bangkok; to examine whether a relationship exists between identified independent variables and a dependent variable; and to measure the relationship between identified independent variables and a dependent variable.

Concerning the research methodology, the researcher practiced a method of survey. Self-administered and close-ended questionnaires were distributed to a total number of 200 respondents, male and female prospective students of franchised English language schools in Bangkok who can make their own decisions regarding franchised English language school choices.

The results of correlation analysis (Spearman's rank-order correlation coefficient) of raw data gathered showed that seven factors are identified as relating to prospective students' enrolment decisions in a franchised English language school in Bangkok. These factors are English course fees, word of mouth publicity of the school, brand name, accessibility of the school, instructors' qualifications, curriculum, and school facilities. In other words, before deciding to enroll in any franchised English language school in Bangkok, prospective students will take these seven factors into consideration. Moreover, the research also found that there is a positive relationship between these seven factors and the enrolment decision.
Acknowledgement

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CHAPTER 1

GENERALITIES OF THE STUDY

1.1 Introduction of the study

In this age of globalization, a lot of businesses choose to expand to foreign markets through the uses of a franchise. English language school business is one of them. This business has a potential since English is now considered to be an international language and a requirement in world business.

Thailand is one country where franchised English language schools are very prosperous. This is because even though English is a major foreign language that is widely used in both educational and business sectors, standard English courses offered at all levels in formal schools and universities seem to be not enough to equip students to be competitive in school and work that demand more and more English competency. For example, in order to pursue education of all levels in the United States, students need to achieve a desirable score on the Test of English as a Foreign Language (TOEFL). Also, business companies ask for an increasingly higher level of proficiency in English as part of their minimum employment requirement. Therefore, non-formal English language schools become attractive options available for both students and employees. According to the latest data from Non-Formal Education Promotion Division, Ministry of Education, there were 184,983 people attending 309 English language schools in Bangkok in 2002.

The biggest market area in the country is Bangkok. It accounts for 62.5% of total language schools. This is due partly to stronger earning (purchasing power) of people in
Bangkok. According to the National Economic and Social Development Board (NESDB) and Tisco Research, GDP per capita in Bangkok area is 171,000 baht a year while average per capita for the rest of the Kingdom stands at only 33,000 baht per year. This represents approximately five times higher GDP per capita relative to the rest of the country. In addition, major business and commercial activities are concentrated in Bangkok.

**Target market / End user profile**

Target markets for franchised English language schools can be classified into two groups. The first group is students of all levels, especially secondary and tertiary ones. The second group is employees and businesspeople.

**Market Demand**

Many major language schools expect the demand for this business to be very high and solid. There are three main reasons to justify this expectation. First, the courses strengthen students' proficiency and at the same time, improve their grades at school. Second, employees with solid English language skills always have an edge over other applicants when applying for a job. Third, for businesspeople who want to expand their markets abroad, English proficiency is a 'must' for their success.
Franchised English language schools in Bangkok

Currently, there are 16 franchised English language schools altogether in Bangkok area, namely ACL English (Thailand), Berlitz International Language Center, British American, British Council, Direct English, ECC (Thailand) Language & Computer Institute, EF English First, Elite International, ELS Thailand, English Plus, Inlingua, Kaplan Educational Services, Kingwood Language School, Newport Language School, Smart English, and WSI.

1.2 Statement of the Problem

Nowadays, even though the number of franchised English language schools is increasing every year, research done in the area is very limited. As a result, it is difficult for the school operators to decide to what strength or area of improvement their limited resources should be intensively allocated. Therefore, the researcher sets the statement of problem as follows:

“What is the relationship between selected factors and decision to enroll in franchised English language school in Bangkok by potential students?”

1.3 Research Objectives

This research is conducted to achieve the following objectives:

1.3.1 To identify factors affecting the decision of prospective students for seeking enrolment in franchised English language schools in Bangkok.
1.3.2 To examine whether a relationship exists between identified independent variables and a dependent variable.

1.3.3 To measure the relationship between identified independent variables and a dependent variable.

1.4 Scope of the Research

Topic in focus:
This research is aimed to study the relationship between independent variables (fee, word of mouth publicity, brand name, accessibility of the school, instructor's qualifications, friends attending the school, curriculum and school facilities) and the dependent variable (prospective students' purchasing decision regarding franchised English language school choice).

Target respondents:
Males and females who are prospective students of franchised English language schools in Bangkok and can make their own decisions regarding English language school choice.

The area in focus:
The coverage of the study is Bangkok area.

1.5 Limitations of the Research

Even though the research yields some insights to franchised English language school operators in Bangkok, it also has some limitations.
1.5.1 The present research focuses attention on investigating the relationship between selected factors and a decision to enroll in a franchised English language school in Bangkok by potential students. Therefore, its findings may not be generalized for non-franchised English language schools or other types of school.

1.5.2 The present research focuses attention on investigating the relationship between selected factors and a decision to enroll in franchised English language school in Bangkok. Therefore, its findings may not be generalized for a franchised English language school located outside Bangkok.

1.5.3 The present research will be conducted in a specific time frame. Therefore, its findings may not be generalized for all times.

1.6 Significance of the Study

The research results yield benefits directly to franchised English language school operators, especially those in the Bangkok area. Once they identify the factors consumers consider when they decide to choose English language schools, they will be able to focus their limited resources on improving those factors in order to attract more customers and finally, to survive in this competitive business.
1.7 Definition of Terms

Franchise - permission to sell a company's goods or services, that is given or sold to a business person (source: Longman Dictionary of Contemporary English, 2000). In addition, it can also be defined as an arrangement by which one party, the franchisor, licenses the right to use a business concept and trademark to several other parties, called franchisees. Along with this basic business package, the franchisees are granted exclusivity within a certain geographical area, on-going support and access to the resources of the franchisor. In return, the franchisees pay a one-time fee plus a set of royalty on revenues (Green, 1993).

Qualifications - a skill, personal quality, or type of experience that makes a person suitable for a particular job or position (source: Longman Dictionary of Contemporary English, 2000).

Accessibility - easy to reach or get into (source: Longman Dictionary of Contemporary English, 2000).

Fee - the amount of money for which something is sold, bought or offered (source: Longman Dictionary of Contemporary English, 2000).

Brand name - the name given to a product by the company that makes it (source: Longman Dictionary of Contemporary English, 2000).

Word of mouth publicity - someone tells a person the information instead of he/she reading about it or seeing an advertisement (source: Longman Dictionary of Contemporary English, 2000).
**Curriculum** – the subjects that are taught by a school, college etc, or courses that are studied in a particular subject (source: Longman Dictionary of Contemporary English, 2000).

**Facilities** – rooms, equipment, or services that are provided for a particular purpose (source: Longman Dictionary of Contemporary English, 2000).
CHAPTER 2

LITERATURE REVIEW

2.1 Concepts and Theories Related to the Research

2.1.1 Consumer Behavior

Definitions

According to Schiffman and Kanuk (1991), consumer behavior is the behavior that consumers display in searching for, purchasing, using, evaluating, and disposing of products and services that they expect will satisfy their needs. They also stated that 'the study of consumer behavior is the study of how individuals make decisions to spend their available resources (money, time, effort) on consumption-related items. It includes the study of what they buy, why they buy it, how they buy it, when they buy it, where they buy it, and how often they buy it'. This is similar to the viewpoint of Kardes (1999) who believed that 'consumer behavior is the study of human responses to products, services, and the marketing of products and services'. In addition, this point of view is also confirmed by Kotler (2000) who stated that consumer behavior is the study of 'how individuals, groups, and organizations select, buy, use and dispose of goods, services, ideas, or experiences to satisfy their needs and desires'. Moreover, according to Peter and Olson (2002), the American Marketing Association defined this term as 'the dynamic interaction of affect and cognition, behavior, and the environment by which human beings conduct the exchange aspects of their lives'. Peter and Olson (2002) elaborated this definition by stating that 'consumer behavior involves the thoughts and feeling
people experience and the actions they perform in consumption processes'. Similarly, according to Malhotra (2002), consumer behavior is ‘a body of knowledge that tries to understand and predict consumers’ reaction based on an individual’s specific characteristics’.

**Model of Consumer Behavior**

This model describes various stimuli, such as marketing stimuli, and buyer’s characteristics, such as cultural, social, personal and psychological, that affect or influence a buyer’s decision process, which in turn affect a buyer’s decision (see figure 2.1).

**Figure 2.1: Model of consumer behavior**

![Model of Consumer Behavior Diagram](image)

Source: Philip Kotler, Marketing Management, 2000
Four Types of Consumer Buying Behavior

Kotler (2000) classified consumer buying behavior into four categories, based on the degree of buyer involvement and the degree of differences among brands, as shown in figure 2.2.

Figure 2.2: Four types of buying behavior

<table>
<thead>
<tr>
<th>Four Types of Buying Behavior</th>
<th>High Involvement</th>
<th>Low Involvement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Significant Differences between Brands</td>
<td>Complex buying behavior</td>
<td>Variety-seeking buying behavior</td>
</tr>
<tr>
<td>Few Differences between Brands</td>
<td>Dissonance-reducing buying behavior</td>
<td>Habitual buying behavior</td>
</tr>
</tbody>
</table>

Source: Philip Kotler, Marketing Management, 2000

- Complex Buying Behavior

Complex buying behavior occurs when consumers are highly involved in a purchase and they are also aware of significant differences among brands. This means that consumers will shop around to learn what is available in the market and try to find as much information about the product as they can. In addition, consumers express this kind of buying behavior when the product is expensive, bought infrequently, risky and highly self-expressive. English language courses are examples of such product.
• **Dissonance-Reducing Buying Behavior**

This kind of buying behavior is similar to the previous kind, the complex buying behavior. It occurs when the consumers are highly involved in a purchase. Furthermore, the products purchased are usually expensive, bought infrequently, and risky. However, the only difference is that consumers perceive little difference in brands. Therefore, consumers who manifest this dissonance-reducing buying behavior will also shop around to find information first, but they will buy the products fairly quickly, perhaps responding primarily to a good price or to purchasing convenience.

• **Habitual Buying Behavior**

This habitual buying behavior occurs under conditions of low involvement and the absence of significant brand differences. According to Kotler (2000), consumers of this type do not pass through the normal sequence of belief, attitude, and behavior. They do not search extensively for information, do not evaluate product’s characteristics and do not make decision regarding brand choices. Instead, they merely follow information found on television or in print advertisements.

The most evident example of product under this type of behavior is salt. Consumers have little involvement in buying this product. They do not search what brands are available. Instead, they simply buy any brand they can get conveniently.
• **Variety-Seeking Buying Behavior**

This buying behavior is characterized by low involvement but significant brand differences. Consumers of this type will do a lot of brand switching. However, this switch of brands occurs mainly because of the need for variety rather than dissatisfaction.

2.1.2 **Consumer Behavior in Service Industry**

**Services VS Products**

From consumer's viewpoint, a service is as much a bundle of benefits as is a physical product. To them, the fact that the service is not something tangible is irrelevant.

On the contrary, from a supplier's viewpoint, a service is much different from a product in that services cannot be stockpiled in the same way as physical products. Therefore, Blythe (1997) distinguished services from physical products by the following characteristics:

- Services are intangible;
- Production and consumption of services happen at the same time;
- Services lack trialability: they cannot be tested before purchase;
- Services are variable, even from the same supplier;
- Services are perishable.
Consumer Approaches to Information Gathering Regarding Services

Due to the intangible nature of services, consumers are unable to use the usual processes of information gathering. To them, according to Blythe (1997), advertising is less verifiable since suppliers are often unable to be specific about the service and the quality thereof, and most services are less subject to close regulation by government or trade bodies. Thus, when it comes to service, consumers rely much more on word of mouth. This is considered the most important source of information regarding services.

Risk and Uncertainty in Buying Services

Risk is another characteristic that make services differ from physical products. Risk involving services not only covers the possible loss of purchase price, but also some sequential losses. For example, poor legal advice can result in the loss of a large amount of money. On the other hand, the risk attached to physical products is usually confined to only the purchase price. As a result, before deciding to purchase any service, consumers need to consider both value for money and the possible consequential loss. Also, due to the risk of consequential loss, consumers try to avoid the cheapest service on the assumption that there must be something wrong with it.

Uncertainty is another main consideration when buying a service. This is because consumers face greater uncertainty when they buy services as services are intangible and variable.
Consumer Involvement with Service Provider

Due to greater risk and uncertainty attached to the purchase of services mentioned above, Blythe (1997) stated that consumers are likely to become more involved with the service provider. This results in more brand loyalty. In other words, regarding services, consumers are more brand loyal than they are to physical products.

2.1.3 Consumer Decision Making

Definition

Schiffman and Kanuk (1991) defined the word ‘decision’ as ‘the selection of an action from two or more alternative choices’.

Levels of Consumer Decision-Making

According to Schiffman and Kanuk (1991), consumer decision-making is classified into three different levels.

- Extensive Problem Solving

Consumers use this extensive level of problem solving when they have no established criteria for evaluating product category or brands, or when they have not narrowed down specific brands they will consider. Therefore, they need a full information to set the criteria used in brand evaluation and also a detailed information concerning each brand they will consider.
• **Limited Problem Solving**

Consumer use limited problem solving when they have already established basic criteria for evaluating the product category and brands in each category. However, at this level, consumers have not decided their preferences concerning a selected group of brands. Thus, they have to gather additional brand information in order to differentiate brands.

• **Routinized Response Behavior**

Consumers use routinized response behavior when they have some experience with product category and a set of well-defined criteria to evaluate brands. Thus, consumers can either gather little additional information or review what they already know.

In conclusion, the degree of problem solving used depends on how well-established the criteria for selection consumers employ and how much information they have about each brand.

**Consumer Buying Decision Process**

Normally, in order to buy a product, consumers pass through five stages of decision making, starting from problem recognition, information search, evaluation of alternatives, purchase decision, to postpurchase behavior, as presented in the figure2.3.
Figure 2.3: Five-stage model of consumer buying process

Five-Stage Model of the Consumer Buying Process

- Problem recognition
- Information search
- Evaluation of alternatives
- Purchase decision
- Postpurchase behavior

Source: Philip Kotler, Marketing Management, 2000

This model suggests that consumers pass sequentially through all these five stages. However, sometimes consumers can skip or reverse some stages. For instance, a consumer buying a regular brand of detergent may jump directly from need to buy a box of detergent to the purchase decision, skipping two stages altogether: information search and evaluation of alternatives.

- **First Stage: Problem Recognition**

A consumer buying process starts with problem recognition. This means that consumers recognize a problem or need. This need can be provoked by internal
stimuli, such as hunger and thirst, or external stimuli, such as television advertisements.

In addition, according to Schiffman and Kanuk (1991), there are two different styles of problem recognition. The first one is actual state type. Consumers with this style of problem recognition perceive that they have a problem only when a product fails to perform satisfactorily. For instance, TV set begins to give fuzzy and blurry pictures. On the other hand, for consumers with the second style of problem recognition, desired state type, their desire for something new may trigger the decision process.

Furthermore, Schiffman and Kanuk (1991) also stated that problem recognition can be viewed as either simple or complex. Simple problem recognition deals with needs that occur frequently and thus, can be managed almost automatically, such as, becoming hungry and buying a burger. In contrast, complex problem recognition is characterized as a state in which a problem develops over time, as an actual state and desired state gradually drift apart. For example, a driver who have driven his car for several years may want to trade it in for a new car in order to avoid growing repair bills.

- **Second Stage: Information Search**

This stage of decision-making begins when consumers perceive a need that may be satisfied by the purchase and consumption of a product. This is because aroused consumers tend to search for more information. There are two levels of arousal. The
first level, the milder one, is heightened attention. At this level, consumers become more receptive to information about a product. Next is the active information search level. Consumers in this level may look for reading material, phoning friends and go to stores to learn more about the product.

There are four groups of information sources that consumers turn to when they need information about a product:

1. Personal sources, such as friends, family, neighbors, colleagues, acquaintances;
2. Commercial sources, such as advertisements, salespersons, dealers, displays, packaging;
3. Public sources, such as mass media, consumer-rating organizations;
4. Experiential sources, such as handling, examining, using the product.

The influence of these sources on consumer decision-making processes vary with product categories and consumers’ characteristics. Nevertheless, normally, consumers receive the most information from commercial sources. However, sources that influence consumers the most are personal sources.

Also, different sources of information perform different tasks in influencing the buying decisions. For example, commercial sources usually perform informing function, whereas personal sources often perform a legitimizing or evaluation function.

Moreover, degree of perceived risk also has a lot of influence on this stage of decision. In high-risk situations, consumers tend to engage in complex information
search and evaluation. However, in low-risk situations, they tend to use very simple search and evaluation tactics.

- **Third Stage: Evaluation of Alternatives**

  At this stage, consumers evaluate competitive brands and make a final value judgment. Usually, they follow a cognitive-oriented process. This means that consumers form judgments mainly on a conscious and rational basis.

  To illustrate this idea, some basic concepts are needed. First, consumers try to satisfy their needs. Second, consumers look for certain benefits or solutions from a product. Third, consumers view each product as a bundle of attributes with abilities to deliver benefits sought to satisfy their needs. Therefore, they pay the most attention to products with attributes that deliver the sought benefits and hence, can satisfy their needs.

  At this stage, two types of information are needed. The first one is a list of brands from which consumers plan to choose. This list is called the evoked set. The second one is the criteria consumers use to evaluate each brand. These criteria are usually expressed in terms of product attributes that are important to consumers, as mentioned earlier.

  Moreover, in order to evaluate brand alternatives, consumers develop a set of brand belief about where each brand stands on each attribute. Next, this set of brand beliefs constitute a brand image. Consumers' brand image varies with their experiences as filtered by the effects of selective perception, selective distortion and
selective attention. Finally, consumers form attitudes, such as judgments and preferences, towards various brands through an attribute evaluation procedure.

- Fourth Stage: Purchase Decision

According to Assael (1981), once brands are evaluated, consumers intend to purchase the brand achieving the highest level of expected satisfaction, in other words, the most preferred brand. However, there is always a possibility that various factors may intervene and delay the purchase, such as lack of funds, additional information on other brands, unavailability of the preferred brand. Also, consumer may decide not to buy a product even though there is an intention to buy. This suggests the fact that the decision process may be terminated at any point.

Kotler (2000) indicated other two main factors that can intervene between the purchase intention and purchase decision, as shown in figure 2.4.

Figure 2.4: Steps between evaluation of alternatives and a purchase decision

Source: Philip Kotler, Marketing Management, 2000

The first intervening factor is attitudes of others. The degree of influence of attitudes of others on consumers' decision depends on two things: the intensity of the
other person’s negative or positive attitude towards the consumers’ preferred alternative and the consumers’ motivation to comply with the other person’s wishes.

The second factor is unanticipated situational factors. These factors may happen to change the purchase decision, such as other purchase may become more urgent and important. Therefore, this confirms Assael’s point of view that purchase intentions are not completely reliable indicators of purchase behavior.

Furthermore, consumers’ modification, postponement and avoidance of purchase decision is also heavily affected by perceived risk. The amount of this perceived risk varies with the amount of money invested in a purchase, the amount of attribute uncertainty, and the amount of consumer self-confidence.

Nevertheless, once consumers decide to buy a product, they have to consider another five purchase subdecisions, namely a brand decision, a vendor decision, a quantity decision, a timing decision and a payment-method decision.

In addition, Schiffman and Kanuk (1991) categorized purchase into two types: trial purchase and repeat purchase. Trial purchase occurs when consumers purchase a product or a brand for the first time, and buy only a smaller amount of a product than usual. In other words, this trial is the exploratory phase of purchase behavior in which consumers attempt to evaluate products through direct use. If the trial result becomes satisfactory, consumers perform the second type of purchase, repeat purchase.
However, sometimes a trial is not feasible, especially with most durable goods, such as ovens and washing machines. For this type of goods, consumers normally move from evaluation to purchase directly, without the opportunity for an actual trial.

- **Fifth Stage: Postpurchase Behavior**

After a purchase, consumers evaluate a brand’s performance. The evaluation is done in light of their own expectations. These expectations are formed on the basis of information received from sellers, friends, and other sources. After evaluation, three outcomes are possible. First, if the actual performance just matches the standard, a neutral feeling will occur. The second possibility is that if the performance exceeds the standard, there will be positive disconfirmation, which finally will lead to satisfaction. The last possibility is that if the performance is below the standard, negative disconfirmation and dissatisfaction will occur. The larger the gap between consumers’ expectations and actual performance, the greater the consumers’ dissatisfaction.

The satisfaction or dissatisfaction with the product’s performance influences subsequent behavior or postpurchase action. This means that satisfaction will reinforce a consumer’s judgment and at the same time, increase the possibility of a repeat purchase. On the contrary, dissatisfaction will lead to a reassessment of the consumer’s choice and at the same time, decrease the likelihood of repurchase of the brand (Assael, 1981)
Also, another significant component of postpurchase evaluation is the reduction of uncertainty or doubt that consumers may have about the choice made. Normally, consumers try to reassure themselves that they made the right choice. In other words, they try to reduce postpurchase cognitive dissonance, which can be done in the following ways: they may rationalize the decision as being wise, they may seek advertisements that support their choice and avoid those of competitive brands, they may persuade friends to buy the same brand in order to confirm their own choice.

2.2 Sources of Reference Regarding Demographic Factors

Demographic factors or personal factors of consumers are crucial subjects to be considered in the study of consumer behavior. This is because consumer’s decisions are influenced by these factors. Demographic factors are individual characteristics of consumers, such as gender, age and income. In addition, these demographic factors are often bases of distinguishing customer groups, which leads to market segmentation. This is because the consumer wants, preferences, and usage rates are always associated with demographic variables. Also, these variables are easier to measure (Kotler, 2000).

2.2.1 Gender

Gender can be classified as male and female. This demographic factor is usually used as a distinguishing segmentation variable since it is long viewed as a factor
influencing consumers’ thinking, values, attitudes, behaviors, wants, and finally, purchase decision (Kotler, 2000). This means that men and women have different thinking, values, attitudes, behaviors, wants and thus, ultimately, results in different purchase decisions.

Gender segmentation is typically applied in certain product categories, like clothing, hairstyling, cosmetics, magazines, and cigarettes.

In addition, Blythe (1997) compared roles of men and women concerning purchase decision. According to him, women’s role has dramatically changed over the past three decades. Now women make more purchase decisions. Also, most decisions regarding home and children are made by women. Moreover, both men and women tend to make major purchase decisions jointly. Finally, men are much more likely to participate in decisions about household expenditure.

2.2.2 Age

According to Kotler (2000), a population can be divided into six age groups, namely preschool, school-age children, teens, young adult aged 25 to 40, middle-aged adults aged 40 to 65, and older adults aged 65 and above. Consumers’ needs and abilities vary with age. Therefore, it can be said that age is one factor that affect consumers’ decision making.
2.2.3 Income

Usually, countries can be categorized into five main groups on the basis of income-distribution patterns: very low income; mostly low incomes; very low and very high incomes; low, medium, high incomes; and mostly medium incomes.

Product choices are always affected by economic circumstances, namely spendable income (e.g. level, stability, and time pattern), savings and assets, debts, borrowing power, and attitude towards spending versus saving (Kotler, 2000). Therefore, it can be said that income is another main factor distinguishing market segments, especially in products like automobiles, boats, clothing, cosmetics and travel.

Nevertheless, sometimes using income alone as a basis for segmenting market may not yield totally accurate result since income merely indicates the consumer’s ability to pay for the product, not the product choice. A product choice or actual purchase decision is also affected by other factors, such as lifestyle and values (Schiffman and Kanuk, 1991). This means that even though consumers have financial ability to purchase the product, they may decide not to if the product is not compatible with their lifestyles.

2.3 Sources of Reference Regarding Independent Variables

2.3.1 Fee

Price is the amount of money charged for a product or service. In the case of franchised English language schools, where educational services are provided, amount of
money charged for those services is fee. Normally, consumers are willing to pay a premium price for a product or service that fits their needs better than the one they are using. Bearing this in mind, a marketer must set the price that is in line with what consumers expect to pay, rather than the price that stems from manufacturing cost of the product.

Nevertheless, many product manufacturers or service providers are still using the cost-plus pricing scheme, which refers to price resulted from cost plus profit. To consumers, this price is hardly the correct price or the price that they are willing to pay since they are only interested in the value-for-money attributes of the product, not the production cost. For example, if the price is perceived to be too high, the product cannot be sold. On the other hand, if the price is lower than what consumers expect to pay, again, the product cannot be sold. However, this time, the reason is that too low price makes consumers question product's quality.

This reveals the surprising fact that most consumers do not buy the cheapest product on offer. Instead they buy a product that is most consistent with their needs and expectations. Therefore, it is more reasonable for marketers to rely on demand pricing, in other words, price set according to consumers' expectations.

2.3.2 Word of Mouth Publicity

According to Blythe (1997), words of mouth publicity is the most influential source of information for consumers when it comes to services. Consumers rely much more on word of mouth than is the case with physical products. This is because the
intangible aspect of services makes it difficult for consumers to carry out many of the usual processes of information gathering. Also, consumers feel that advertising is less verifiable since suppliers are often unable to be specific about the service and the quality, and most services are less subject to close regulation by government or trade bodies. In other words, the influence of word of mouth is much stronger than advertising or other marketer-generated communications. Therefore, most prospective consumers of services tend to rely heavily on personal recommendations by friends and colleagues.

2.3.3 Brand Name

Kotler (2000) defines brand as ‘a name, sign, symbol, or design, or a combination of them, intended to identify the goods or services of one seller or group of sellers and to differentiate them from those of competitors’. In other words, a brand is fundamentally a seller’s promise to provide certain features, benefits, and services to buyers.

A brand should convey six elements altogether: attributes, benefits provided, values, culture, personality, and user. However, the best brands should convey more than that; it should send a message of quality warranty to consumers.

Brand equity is closely related to three types of consumer’s attitudes towards brand: consumer is satisfied with the brand; consumer values the brand and sees it as a friend; and consumer is devoted to the brand. A product or service will be considered as having brand equity when consumers feel at least one of these about the brand. Moreover, brand equity is also related to other things, such as the degree of brand-name
recognition, perceived brand quality, strong mental and emotional associations, patents, trademarks and channel relationships.

Furthermore, there are a number of competitive advantages with having high brand equity. First, the company will enjoy reduced marketing costs due to consumer brand awareness and loyalty. Second, it will also have more trade leverage in bargaining with distributors and retailer for consumers expect these distribution channels to carry the brand. Third, it will be able to charge higher prices than its rivals since the brand reflects higher perceived quality. Fourth, it will be able to launch extensions more easily because the brand name holds high credibility. Finally, the brand will provide the company with some defense against a price war.

Therefore, a brand name must be managed with ultimate care so that its equity does not depreciate. These are some ways to do so: maintaining and improving brand awareness, perceived quality, and positive associations.

In the case of English language schools, brand name is one of the most important competitive advantages since it plays a major role in consumer decision-making process. Prospective consumers view the school’s name as a guarantee of quality. To them, most well-known schools provide the best instruction quality by the best qualified instructors (Phupoksakul, 1998).

2.3.4 School Facilities

Facilities can be defined as rooms, equipment, or services that are provided for a particular purpose (Longman Dictionary of Contemporary English, 2000). Usually,
franchised English language schools must follow the school standards set by the school franchisor. This includes the issue of school facilities. For example, EF International Language Services Ltd, EF English First franchisor, dictates that all EF English First schools must have a space of at least 300-350 square meters. Also, all EF English First schools must follow the same layout standards. Besides this, almost all franchised English schools provide similar basic facilities, such as ergonomic study environments, air-conditioned rooms, library, audio-visual self-study equipment.

Furthermore, according to Sirilertpornchai (2003), parents always consider school facilities before choosing a school for their children.

2.3.5 Accessibility of the school

Sometimes location means not only convenience, but also part of a product offered, in the sense that there are benefits attached to the place utility of the distribution. Different locations yield different hedonic aspects in the search process. For example, buying goods from garage sales may give consumers the joy in finding the appropriate product, while buying the same category of goods from luxurious stores may give the joy of being taken care of and the assurance that the goods hold value and are a pleasure to own.

According to Phupoksakul (1998), most English language schools are located in the main business and commercial areas and in major shopping malls even though the rent rates are relatively high. The core reason behind this is these locations are right
where their consumers are, and thus, it will be much more convenient for consumers to buy their services.

Furthermore, Wronkovich, Robinson and Hess (1998) emphasized the importance of accessibility of the school to a school choice by stating that convenience is a major reason for parents in choosing a school.

2.3.6 Instructor’s Qualifications

Quality is the totality of features and characteristics of a product or service that bear on its ability to satisfy stated or implied needs (Kotler, 2000). This means that a product or service that meets or exceeds consumers’ expectations is a product or service of quality.

There are two kinds of quality: performance quality and conformance quality. The former refers to the level at which the product’s primary characteristics operate. In contrast, the latter is the degree to which the produced units are identical and meet the promised specifications. However, this research will focus only on the first kind, performance quality.

Management of performance quality through time can be achieved by three strategies. The first one is to continuously improve the product. This will result in the best return and market share. The second strategy is to maintain product quality at a given level. The last strategy is to reduce product quality through time in order to offset the rising cost or to increase profit. However, this method will hurt long-term profitability.
According to the research of Phupoksakul (1998), instructor’s qualifications or performance quality of an instructor is considered the most significant competitive factor for any franchised English language school. This means that it is the factor that makes a school able to compete with other schools in terms of how to draw as many customers as they can.

2.3.7 Curriculum

Curriculum are the subjects that are taught by a school, college etc, or things that are studied in a particular subject (Longman Dictionary of Contemporary English, 2000). It is also defined as a series of planned instruction that is coordinated and articulated in a manner designed to result in the achievement by students of specific knowledge and skills and the application of this knowledge. Furthermore, the curriculum reflects the goals that the school, state, and country have created for each student to master in each grade level. The school curriculum surrounds the needs of the students and is sometimes even created by the students. The curriculum also includes the textbooks used, the knowledge of the teacher, and all of the experiences that children have in the classroom. In addition, there is also the hidden curriculum, which is the information that children get when experiencing life in the “real world”; social interaction between students, teachers and families. Many children learn new concepts without even realizing that they had learned something, and this is part of the curriculum. Overall, the curriculum is the basis of a child’s life, who he/she is and how he/she became that person.
Moreover, according to Algozzine, Yon, Nesbit C., and Nesbit J (1999), the curriculum is one of the major factors parents use in choosing schools for their children.

**2.3.8 Friends attending the school**

Many authors defined the word reference group. According to Peter and Olson (1990), 'reference groups are people in the social environment who are salient or relevant for a person and who influence that individual’s cognitions, affective responses and behaviors'. In addition, Schiffman and Kanuk (1991) described this word as 'any person or group that serves as a point of comparison (or reference) for an individual in the formation of either general or specific values, attitudes, or behavior'. Moreover, Kotler (2000) also stated that 'reference groups consist of all the groups that have a direct (face-to-face) or indirect influence on the person’s attitudes or behavior'.

Reference groups that influence general values of behavior are called normative reference groups, such as immediate family. On the other hand, reference groups that serve as benchmarks for specific or narrowly defined attitudes or behavior are called comparative reference groups.

Furthermore, reference groups can also be classified into four types on the basis of a person’s membership or degree of involvement with the group and of the positive or negative influences they have on his or her values, attitudes, and behavior, as shown in table 2.1.
Table 2.1: Types of reference groups

<table>
<thead>
<tr>
<th></th>
<th>Membership group</th>
<th>Non-membership group</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Positive Influence</strong></td>
<td>Contactual</td>
<td>Aspirational group</td>
</tr>
<tr>
<td><strong>Negative Influence</strong></td>
<td>Disclaimant group</td>
<td>Avoidance group</td>
</tr>
</tbody>
</table>

Source: Leon G. Schiffman and Leslie Lazar Kanuk, Consumer Behavior, 1991

The first group or contactual group is the one relevant to this research. It refers to the group that a person is a member or has regular face-to-face contact and of whose values, attitudes and standards he or she approves. Therefore, the influence of this group on consumer’s attitudes and behavior is considered to be a positive one.

Second, an aspirational group is a group that a person is not a member and does not have face-to-face contact. However, it is a group in which a person wants to be a part. Thus, it serves as a positive influence on a person’s behavior.

Third, a disclaimant group is a group in which a person holds membership and has face-to-face contact. Nevertheless, a person disapproves of the group’s values, attitudes, and behavior. Therefore, a person is likely to think and behave in opposite direction to the group’s norms.

The last group is an avoidance group. This is a group of which a person is not a member and does not have face-to-face contact. Also, a person disapproves of the group’s values, attitudes, and behavior. Therefore, a person tends to adopt attitudes and behavior that are in opposition to those of the group.
2.4 Other related research

2.4.1 Local Research


In her research, she studied market demand, end-users profile, market access in terms of school registration process, competitive situation, financing, and US. market position and share.

In addition, she also stated that there are four major factors that each school uses to compete with each other in terms of attracting more students/consumers. These factors are the instructor's qualifications, a brand name, accessibility of the school, and pricing.

According to the research, instructor's qualifications is identified as the most important competitive factor of all. For this reason, the well-known schools commit to a very high qualifications standard in the instructor selection process.

Brand name is considered another important factor since potential students view it as a guarantee of quality. Therefore, brand name plays a significant role in a student's school selection process.

Accessibility of the school is also a crucial factor in student's school selection process. Thus, most leading schools choose to locate in major commercial areas, such as Silom Road area and Sukhumvit Road area, and also in big shopping malls.

Pricing also needs to be considered for most consumers are price conscious. This is because students have to rely on their parents’ disposable income as their sole source to
pay for the course fee. Similarly, employees have to use their own salary to afford the course.


The purposes of the study were (1) to identify important school-choice attributes related to parents’ decision in choosing an international school for their children, (2) to identify relationship between parents’ demographic characteristics and school choice attributes, and (3) to identify relationship between parents’ expectation and school choice attributes in international school selection process.

The research methodology used in this study was survey research. Also, descriptive and inferential statistics were used to analyze the school choice attributes in decision making process.

The results indicated that quality of teacher, language medium in teaching, modern curriculum, security and learning environment were top five important school-choice attributes. In addition, several demographic factors of parents, such as age and household income, were related to four types of environments, namely human environment, physical environment, academic environment, and atmosphere environment. Moreover, the findings also showed that parents’ expectation and all four environments are related.
2.4.2 International Research


The purpose of the research is to describe parent perceptions regarding magnet school attended by their children. Their survey was designed to address the outcomes, decision making process, and satisfaction relative to magnet school participation. In other words, they aimed to answer the following questions:

- To what extent are different individuals involved in the decision to transfer schools and what factors influence that decision?
- To what extent does enrollment in a magnet school influence participation in school activities?
- To what extent does enrollment in a magnet school influence behaviors and attitudes?
- To what extent are parents satisfied with the magnet school experiences of their child?
- To what extent do parents believe magnet school programs are appropriate and beneficial?

Methodologies used in this research were both survey and interview. Approximately 250 families completed a survey designed to address outcomes, decision making, and satisfaction relative to magnet school participation. Also, qualitative interviews were
conducted in small group of 25 parents in order to find the answer for research question five.

The results of their research brought some light to the area of school choice. They found that multiple family members were involved in the decision making process regarding the transfer to magnet school program. Also, the primary reasons for exercising the school choice option were the following: the academic reputation and the curriculum. Moreover, most parents were satisfied with their children’s improvement and their choice to transfer schools.

Another related international study was ‘A Study of Parental Information Seeking and Implications for School Choice’, done by Hu (1996).

The study was designed to investigate the information seeking process of parents in choosing schools of preferences. The hypothetical questions aimed to be answered included:

(1) What factors would influence the decision of a parent if he is allowed to choose between two public schools in his residential area?

(2) What would be some of the selection criteria upon which the parent bases his decision?

(3) What kind of information would be most critical to assist the parent’s decision making?
(4) What conduct or activities would be engaged in by the parent in gathering, interpreting, and applying this information to help his decision making?

Regarding research methodology, a questionnaire was designed to form a basis for parental interviews. Next, a total of forty parents from two middle schools were randomly selected and interviewed by phone or in person.

The findings from this study can be concluded as follows: (1) when offered options, parents will be likely to choose a desired school based on a set of criteria meaningful to themselves, e.g. human, physical, academic and atmosphere factors; (2) parents employ a wide variety of information sources; (3) the efficacy of various school information sources may vary; (4) parents of different social and economic classes will display different behaviors in their information seeking; (5) advantaged parents will be better informed in making school choice decisions; and (6) disadvantaged parents will suffer from information deficiencies in making school choice decisions.
CHAPTER 3
RESEARCH FRAMEWORK

This chapter discusses the conceptual framework of the research, research hypothesis and finally the operationalization of independent and dependent variables investigated in the research.

3.1 Conceptual Framework

<table>
<thead>
<tr>
<th>Fee</th>
<th>Prospective Students’ Purchasing Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>Word of Mouth Publicity</td>
<td>Regarding Franchised English Language</td>
</tr>
<tr>
<td>Brand Name</td>
<td>Schools in Bangkok</td>
</tr>
<tr>
<td>Accessibility of the School</td>
<td></td>
</tr>
<tr>
<td>Instructor’s Qualifications</td>
<td></td>
</tr>
<tr>
<td>Friends Attending the School</td>
<td></td>
</tr>
<tr>
<td>Curriculum</td>
<td></td>
</tr>
<tr>
<td>School Facilities</td>
<td></td>
</tr>
</tbody>
</table>

In this research, the researcher attempts to find out whether there is relationship between the independent variables and the dependent variable. The independent variables in focus are fee, word of mouth publicity, brand name, accessibility of the school, instructor’s qualifications and friends attending the school, whereas the dependent
variable is prospective students’ purchasing decision regarding franchised English language schools in Bangkok.

Below are brief explanations of each independent variable:

**Fee** – Fee is the amount of money charged for a service (Kotler, 2000). Normally, consumers are willing to pay a premium price for a product or service that fits their needs better than the one they are using (Blythe, 1997). In other words, they buy a product that is best consistent with their needs and expectations.

**Word of Mouth Publicity** – Word of mouth publicity is the most influential source of information for consumers when it comes to services. Consumers rely much more on word of mouth than is the case with physical products. Most prospective consumers of services tend to rely heavily on personal recommendations by friends and colleagues (Blythe, 1997).

**Brand Name** – A brand is fundamentally a seller’s promise to provide a certain features, benefits, and services to buyers. In the case of English language schools, brand name is one of the most important competitive advantages since it plays a major role in consumer decision-making process. Prospective consumers view the school’s name as a guarantee of quality. To them, most well known schools provides the best instruction quality by the best qualified instructors (Phupoksakul, 1998)
Accessibility of the School – Location is not only convenience; it is a part of a product offered, in the sense that there are benefits attached to the place utility of the distribution (Blythe, 1997). In addition, most of the English language schools in Bangkok choose to locate in main business and commercial areas and in major shopping malls since these locations are right where their consumers are, and thus, it will be much more convenient for consumers to buy their services (Phupoksakul, 1998).

Instructor’s Qualifications – Quality is the totality of features and characteristics of a product or service that bear on its ability to satisfy stated or implied needs (Kotler, 2000). According to the research of Phupoksakul (1998), instructor’s qualifications or performance quality of an instructor is considered the most significant competitive factor for any franchised English language school.

Friends attending the school – Reference groups are people in the social environment who are salient or relevant for a person and who influence that individual’s cognitions, affective responses and behaviors (Peter and Olson, 2002).

Curriculum - Curriculum comprises the subjects that are taught by a school, college etc, or topics that are studied in a particular subject. It is also defined as a series of planned instruction that is coordinated and articulated in a manner designed to result in the achievement by students of specific knowledge and skills and the application of this knowledge.
School Facilities - rooms, equipment, or services that are provided for a particular purpose (Longman Dictionary of Contemporary English, 2000)

3.2 Research Hypothesis

In this research, the hypotheses are set on the purpose of examining the relationship between identified independent variables (fee, word of mouth publicity, brand name, accessibility of the school, instructor's qualifications, friends attending the school, curriculum, and school facilities) and dependent variable (prospective students' purchasing decision regarding franchised language school choice), which is in accordance with the research objectives. Therefore, eight pairs of hypotheses are set as follows:

Ho1: There is no relationship between fee and prospective students' purchasing decision.

Ha1: There is a relationship between fee and prospective students' purchasing decision.

Ho2: There is no relationship between word of mouth and prospective students' purchasing decision.

Ha2: There is a relationship between word of mouth and prospective students' purchasing decision.
Ho3: There is no relationship between brand name and prospective students’ purchasing decision.

Ha3: There is a relationship between brand name and prospective students’ purchasing decision.

Ho4: There is no relationship between accessibility of the school and prospective students’ purchasing decision.

Ha4: There is a relationship between accessibility of the school and prospective students’ purchasing decision.

Ho5: There is no relationship between instructor's qualifications and prospective students’ purchasing decision.

Ha5: There is a relationship between instructor's qualifications and prospective students’ purchasing decision.

Ho6: There is no relationship between friends attending the school and prospective students’ purchasing decision.

Ha6: There is a relationship between friends attending the school and prospective students’ purchasing decision.
Ho7: There is no relationship between curriculum and prospective students’ purchasing decision.

Ha7: There is a relationship between curriculum and prospective students’ purchasing decision.

Ho8: There is no relationship between school facilities and prospective students’ purchasing decision.

Ha8: There is a relationship between school facilities and prospective students’ purchasing decision.
### 3.3 Operationalization of the Independent and Dependent Variables

Table 3.1: Operationalization of the independent and dependent variables

<table>
<thead>
<tr>
<th>Variables</th>
<th>Definition</th>
<th>Operational Component</th>
<th>Measurement Scale</th>
<th>Statistical Method</th>
<th>Q. no.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fee</td>
<td>The amount of money charged for a service.</td>
<td>English course fee</td>
<td>Ordinal</td>
<td>Spearman rank-order correlation</td>
<td>3.1</td>
</tr>
<tr>
<td>Word of mouth publicity</td>
<td>Someone tells a person the information instead of him/her reading about it or seeing an advertisement.</td>
<td>Word of mouth publicity</td>
<td>Ordinal</td>
<td>Spearman rank-order correlation</td>
<td>3.2</td>
</tr>
<tr>
<td>Brand Name</td>
<td>The name given to a product by the company that makes it.</td>
<td>Brand name</td>
<td>Ordinal</td>
<td>Spearman rank-order correlation</td>
<td>3.3</td>
</tr>
<tr>
<td>Accessibility of the school</td>
<td>The ease to reach or get into</td>
<td>Location</td>
<td>Ordinal</td>
<td>Spearman rank-order correlation</td>
<td>3.4-3.5</td>
</tr>
<tr>
<td>Instructor’s qualifications</td>
<td>A skill, personal quality, or experience that make a person suitable for a particular job.</td>
<td>-Instructor’s English academic skill -Instructor’s teaching skill</td>
<td>Ordinal</td>
<td>Spearman rank-order correlation</td>
<td>3.6-3.7</td>
</tr>
<tr>
<td>Variables</td>
<td>Definition</td>
<td>Operational Component</td>
<td>Measurement Scale</td>
<td>Statistical Method</td>
<td>Q. no.</td>
</tr>
<tr>
<td>-----------</td>
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<td>-------------------</td>
<td>--------------------</td>
<td>-------</td>
</tr>
<tr>
<td>Friends attending the school</td>
<td>People in the social environment who are salient or relevant for a person and who influence that individual’s cognition and behavior.</td>
<td>Students who already took a course and related to prospective students</td>
<td>Ordinal</td>
<td>Spearman rank-order correlation</td>
<td>3.8</td>
</tr>
<tr>
<td>Curriculum</td>
<td>The subjects that are taught by a school</td>
<td>Subjects taught</td>
<td>Ordinal</td>
<td>Spearman rank-order correlation</td>
<td>3.9</td>
</tr>
<tr>
<td>School facilities</td>
<td>Rooms, equipment, or services that school provides for students</td>
<td>Services, Equipments, Ergonomic study environment</td>
<td>Ordinal</td>
<td>Spearman rank-order correlation</td>
<td>3.10 – 3.12</td>
</tr>
<tr>
<td>Customers’ decision</td>
<td>The selection of an action from two or more alternative choices</td>
<td>Purchasing decision</td>
<td>Ordinal</td>
<td>Spearman rank-order correlation</td>
<td>4</td>
</tr>
</tbody>
</table>
CHAPTER 4
RESEARCH METHODOLOGY

This chapter concerns the methodology of the research, namely method of research, technique, sampling design, data collection procedures and data analysis techniques.

4.1 Method of Research Used

This research can be classified as descriptive research design and under it, sample survey method has been used. It is aimed at describing something, usually market characteristics or functions (Malhotra, 2002). In addition, descriptive research is particularly useful whenever research questions relate to identification of relationships, which is relevant to the research objectives and questions. Note that one of the research objectives is to examine the relationship between various independent variables (fee, word of mouth publicity, brand name, accessibility of the school, instructor’s qualifications, and friends attending the school) and a dependent variable (prospective students’ purchasing decision).

According to Davis and Cosenza (1993), survey is the design that usually depends upon the use of a well-constructed or standardized questionnaire for the primary purpose of describing and/or predicting some phenomenon. Also, core objectives of most surveys are a search for relationships between variables as well as a test of hypotheses. In addition, it should be noted that in this kind of method, the researcher does not intervene
in any attempt to control or manipulate the independent variables. Instead, the researcher can only seek to measure the relative level of the relevant concepts isolated for study.

Furthermore, the survey method yields many advantages. For example, it allows researchers to study and describe large populations fairly quickly at a relatively low cost. Also, a survey is extremely versatile in that it can be adapted to almost any research setting. In other words, it provides the advantages of ease, reliability and simplicity.

4.2 Technique

As mentioned earlier, a survey is based on the use of well-constructed or standardized questionnaire, which is used to collect data from the relevant unit of analysis under study, in this research, an individual.

Questionnaires distributed in this research will be self-administered and close-ended ones, involving fixed-response choices, since through this kind of questionnaire, the required data will be gathered and analyzed within a short period of time and at the same time, the level of error can be minimized.

Moreover, a cross-sectional design or a sample survey method will be applied in the research. It is a type of research design involving the one-time collection of information from any given sample of population elements. Therefore, it can be viewed as a snapshot of the marketplace taken at a specific point in time. In addition, the cross-sectional survey is the most frequently used descriptive design in marketing research (Malhotra, 2002)
4.3 Sampling Design

Target Population

Target population is defined by Malhotra (2002) as the collection of elements or objects that possess the information the researcher is seeking. Therefore, the target population in this research is set in terms of elements, sampling units, extent and time frame as follows:

- **Elements**
  - Males and females
  - Prospective students of franchised English language schools in Bangkok
  - Can make their own decisions regarding franchised English language school choices

- **Sampling Unit**
  - Individuals with the same elements as stated above

- **Extent**
  - Bangkok area

- **Time Frame**
  - July 2003
Sampling Frame

Sampling frame is a representation of the element of the target population. It consists of a list or set of directions for identifying the target population. Nevertheless, there is no such list relevant to this research available (Malhotra, 2002). Hence, there is no sampling frame in the research.

Sampling Technique

Judgment or purposive sampling which is one type of nonprobability sampling will be applied in this research. This kind of sampling technique relies on personal judgment of the researcher, rather than chance, in selecting sample elements. In other words, the researcher may select the sample arbitrarily or make a conscious decision about which elements to include in the sample (Malhotra, 2002).

Sample Size

According to Malhotra (2002), a sample size of 200 respondents will be used in the survey since the research can be categorized as problem solving research (see table 4.1).
Table 4.1: Sample Sizes Used in Marketing Research Studies

<table>
<thead>
<tr>
<th>TYPE OF STUDY</th>
<th>MINIMUM SIZE</th>
<th>TYPICAL RANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Problem identification research (e.g., market potential)</td>
<td>500</td>
<td>1,000-2,500</td>
</tr>
<tr>
<td>Problem solving research (e.g., pricing)</td>
<td>200</td>
<td>300-500</td>
</tr>
<tr>
<td>Product tests</td>
<td>200</td>
<td>300-500</td>
</tr>
<tr>
<td>Test marketing studies</td>
<td>200</td>
<td>300-500</td>
</tr>
<tr>
<td>TV/radio/print advertising (per commercial or ad tested)</td>
<td>150</td>
<td>200-300</td>
</tr>
<tr>
<td>Test-market audits</td>
<td>10 stores</td>
<td>10-20 stores</td>
</tr>
<tr>
<td>Focus groups</td>
<td>6 groups</td>
<td>10-15 groups</td>
</tr>
</tbody>
</table>

Source: Naresh K. Malhotra, Basic Marketing Research, 2002

Pretest

In order to ensure the highest quality data possible, the researcher will pretest the questionnaire by distributing 25 copies of the questionnaire to a set of respondents, similar to the final study respondents. The result of the pretest will identify problems in wording, questionnaire format, and other areas that have a profound impact on the validity of the findings from the study.
For this research, the result of the reliability analysis of the questionnaire is the alpha 0.8668.

### 4.4 Data Collection Procedures

This section is aimed to answer four questions concerning data collection procedures: who respondents are; how the data can be collected; when the data are collected; and where the data are collected.

As stated earlier in section 3, the respondents of the research are males and females who are prospective students of franchised English language schools in Bangkok and can make their own decisions regarding franchised English language school choices.

The data will be collected through the use of self-administered questionnaires, which are distributed both inside and outside of various franchised English language schools in Bangkok. In addition, the time period for distributing the questionnaires is July 2003.

### 4.5 Data Analysis Techniques

After all the raw data are gathered through the survey, they will be interpreted and analyze into meaningful ones. In the research, two kinds of data analysis technique will be used: descriptive analysis and correlation analysis.
Descriptive Analysis

This kind of analysis will be applied to data concerning demographic background of the respondents, which, in essence, are nominal data. The descriptive statistics describe data in terms of measures of central tendency. In other words, they describe the location of the center of a distribution. Examples of descriptive statistics that can be used with nominal data in this research are proportion, percentage, ratio and rate (Fink, 1995).

Correlation Analysis

Since the purpose of the research is to determine whether a relationship exists between independents variables and a dependent variable, a Spearman’s rank-order correlation coefficient becomes an appropriate mean to interpret and analyze data (Fink, 1995). This coefficient measures the closeness of association between two sets data.

Moreover, Spearman’s rank-order correlation coefficient indicates the degree to which the variation in independent variable is related to the variation in dependent variable in form of a range of +1 to -1.

A perfect correlation of +1 means that the value of Y, a dependent variable, increases by the same amount for each unit of increase in the value of X, an independent variable. On the other hand, a correlation of -1 indicates a perfect inverse relationship, in which the value of the dependent variable decreases by the same amount for each unit increase in the value of the independent variable. A correlation coefficient of zero indicates that no relationship exists between the dependent and independent variables. In
other words, no consistent change in the value of the dependent variable occurs for each unit change in the value of the independent variable (Fink, 1995).

The formula for calculating the Spearman’s rank-order correlation coefficient, $r_s$, is

$$r_s = 1 - \frac{6 \sum d_i^2}{n(n^2 - 1)}$$

where $n$ = the number of paired observations

$$d_i = X_i - Y_i$$

= difference between ranks of paired observations
CHAPTER 5
PRESENTATION OF DATA AND CRITICAL DISCUSSION OF RESULTS

This chapter concerns the analysis of the collected data, which is divided into two sections. The first section is the analysis of demographic background of the respondents through the use of descriptive statistics. The second section is the testing of hypotheses through the use of Spearman's rank-order correlation statistic.

5.1 The Analysis of Demographic background of the Respondents

The demographic background of the 200 respondents of this research, namely age, gender, occupation and education, is analyzed in terms of frequency distribution and percentage through the use of descriptive statistics.

Age

According to the analysis in table 5.1, the majority or 62.5% of the respondents are at the age of between 20-25 years old. Forty eight respondents or 24% are below 20 years old. Seventeen respondents or 8.5% are between 26-30 years old, while the other 10 respondents, 10%, are 30 years old and above.
Table 5.1: Age of the Respondents

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid below 20</td>
<td></td>
<td></td>
<td>24.0</td>
<td>24.0</td>
</tr>
<tr>
<td>20-25</td>
<td>125</td>
<td>62.5</td>
<td>62.5</td>
<td>86.5</td>
</tr>
<tr>
<td>25-30</td>
<td>17</td>
<td>8.5</td>
<td>8.5</td>
<td>95.0</td>
</tr>
<tr>
<td>30 and above</td>
<td>10</td>
<td>5.0</td>
<td>5.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>200</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Figure 5.1: Age of the Respondents

[Pie chart showing age distribution]
Gender

The respondents of this research can be divided into two groups according to their gender. The female group of 123 respondents, which accounts for 61.5% of total respondents, is the majority. The male group composed of 77 respondents, or 38.5% of the total respondents.

Table 5.2: Gender of the Respondents

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>77</td>
<td>38.5</td>
<td>38.5</td>
<td>38.5</td>
</tr>
<tr>
<td>Female</td>
<td>123</td>
<td>61.5</td>
<td>61.5</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>200</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Figure 5.2: Gender of the Respondents
**Occupation**

According to table 5.3, the majority of the respondents, 132 respondents or 66%, are students. Another 43 respondents or 21.5% are business employees. Eight respondents or 4% are government officers. One respondent or 0.5% is state enterprise officer, while 16 respondents or 8% have other occupations.

**Table 5.3: Occupation of the Respondents**

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>student</td>
<td>132</td>
<td>66.0</td>
<td>66.0</td>
<td>66.0</td>
</tr>
<tr>
<td>business employee</td>
<td>43</td>
<td>21.5</td>
<td>21.5</td>
<td>87.5</td>
</tr>
<tr>
<td>government officer</td>
<td>8</td>
<td>4.0</td>
<td>4.0</td>
<td>91.5</td>
</tr>
<tr>
<td>state enterprise officer</td>
<td>1</td>
<td>0.5</td>
<td>0.5</td>
<td>92.0</td>
</tr>
<tr>
<td>others</td>
<td>16</td>
<td>8.0</td>
<td>8.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>200</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>
Figure 5.3: Occupation of the Respondents

Highest or Current Education Level

Table 5.4 shows that the majority of the respondents, 147 people or 73.5%, have Bachelor's degree or equivalent. Twenty nine of them or 14.5% are in high schools. Three respondents or 1.5% have diploma or equivalent, while 21 respondents or 10.5% are at other education levels.
Table 5.4: Highest or Current Education Levels of the Respondents

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>high school</td>
<td>29</td>
<td>14.5</td>
<td>14.5</td>
<td>14.5</td>
</tr>
<tr>
<td>diploma or equivalent</td>
<td>3</td>
<td>1.5</td>
<td>1.5</td>
<td>16.0</td>
</tr>
<tr>
<td>bachelor degree or equivalent</td>
<td>147</td>
<td>73.5</td>
<td>73.5</td>
<td>89.5</td>
</tr>
<tr>
<td>others</td>
<td>21</td>
<td>10.5</td>
<td>10.5</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>200</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Figure 5.4: Highest or Current Education Levels of the Respondents
5.2 Hypothesis Testing

This section concerns the testing of all eight hypotheses of the research. The method of testing used here is Spearman’s rank-order correlation statistic. Also, the results of the testing are discussed in this section.

Hypothesis 1

Table 5.5: Spearman’s rank-order correlation test between fee and prospective students’ purchasing decision

<table>
<thead>
<tr>
<th>Spearman’s rho</th>
<th>English course fee</th>
<th>enrolment decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spearman’s rho</td>
<td>Correlation</td>
<td>Coefficient</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td></td>
</tr>
<tr>
<td>English course fee</td>
<td>1.000</td>
<td>.324**</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td>1.000</td>
</tr>
<tr>
<td>N</td>
<td>200</td>
<td>200</td>
</tr>
</tbody>
</table>

**. Correlation is significant at the .01 level (2-tailed).

Ho1: There is no relationship between fee and prospective students’ purchasing decision.

Ha1: There is a relationship between fee and prospective students’ purchasing decision.
Or in statistical term, it is stated as:

\( H_0 : \rho = 0 \)

\( H_a : \rho \neq 0, \alpha = 0.025, 95\% \text{ level of significance} \)

**Significant Level** (2-tailed test): The bivariate test shows the significant value of 0.000 which is less than 0.025. This means that the null hypothesis is rejected while the alternate hypothesis is accepted.

**Correlation Coefficient**: The correlation coefficient value equals .324, suggesting that there is a positive relationship between fee and prospective students’ purchasing decision. Also, the value shows medium correlation between these two variables.

**Discussion of Results**: The result of the test reveals the fact that prospective students of franchised English language schools in Bangkok take English course fee into consideration before deciding to enroll in any franchised English language school.
Hypothesis 2

Table 5.6: Spearman’s rank-order correlation test between word of mouth publicity and prospective students’ purchasing decision

<table>
<thead>
<tr>
<th>Spearman’s rho</th>
<th>word of mouth publicity</th>
<th>enrolment decision</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Correlation</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Coefficient</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>N</td>
<td></td>
</tr>
<tr>
<td>word of mouth publicity</td>
<td>1.000</td>
<td>.446**</td>
</tr>
<tr>
<td>enrolment decision</td>
<td>.446**</td>
<td>1.000</td>
</tr>
</tbody>
</table>

**. Correlation is significant at the .01 level (2-tailed).

Ho2: There is no relationship between word of mouth publicity and prospective students’ purchasing decision.

Ha2: There is a relationship between word of mouth publicity and prospective students’ purchasing decision.

Or in statistical term, it is stated as:

Ho2: \( \rho = 0 \)

Ha2: \( \rho \neq 0, \alpha = 0.025, 95\% \) level of significance
**Significant Level** (2-tailed test): The bivariate test shows the significant value of 0.000 which is less than 0.025. This means that the null hypothesis is rejected while the alternate hypothesis is accepted.

**Correlation Coefficient:** The correlation coefficient value equals .446, suggesting that there is a positive relationship between word of mouth publicity and prospective students’ purchasing decision. Also, the value shows medium correlation between these two variables.

**Discussion of Results:** The result of the test reveals the fact that prospective students of franchised English language schools in Bangkok take word of mouth publicity of the schools into consideration before deciding to enroll in any franchised English language school.
**Hypothesis 3**

Table 5.7: Spearman’s rank-order correlation test between brand name and prospective students’ purchasing decision

<table>
<thead>
<tr>
<th>Spearman's rho</th>
<th>brand name</th>
<th>enrolment decision</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Correlation</strong></td>
<td>1.000</td>
<td>.295**</td>
</tr>
<tr>
<td>Coefficient</td>
<td></td>
<td>.000</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>N</strong></td>
<td>200</td>
<td>200</td>
</tr>
<tr>
<td>enrolment decision</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Correlation</strong></td>
<td>.295**</td>
<td>1.000</td>
</tr>
<tr>
<td>Coefficient</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td></td>
<td>.000</td>
</tr>
<tr>
<td><strong>N</strong></td>
<td>200</td>
<td>200</td>
</tr>
</tbody>
</table>

**. Correlation is significant at the .01 level (2-tailed).**

Ho3: There is no relationship between brand name and prospective students’ purchasing decision.

Ha3: There is a relationship between brand name and prospective students’ purchasing decision.

Or in statistical term, it is stated as:

Ho3: \( p = 0 \)

Ha3: \( p \neq 0, \alpha = 0.025, 95\% \) level of significance
Significant Level (2-tailed test): The bivariate test shows the significant value of 0.000 which is less than 0.025. This means that the null hypothesis is rejected while the alternate hypothesis is accepted.

Correlation Coefficient: The correlation coefficient value equals .295, suggesting that there is a positive relationship between brand name and prospective students' purchasing decision. However, the value shows only low correlation between these two variables.

Discussion of Results: The result of the test reveals the fact that prospective students of franchised English language schools in Bangkok take brand name into consideration before deciding to enroll in any franchised English language school.
Hypothesis 4

Table 5.8: Spearman’s rank-order correlation test between location of the school and prospective students’ purchasing decision

<table>
<thead>
<tr>
<th>Spearman's rho</th>
<th>location of the school</th>
<th>enrolment decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>location of the school Correlation Coefficient Sig. (2-tailed) N</td>
<td>1.000</td>
<td>.340**</td>
</tr>
<tr>
<td>enrolment decision Correlation Coefficient Sig. (2-tailed) N</td>
<td>.340**</td>
<td>1.000</td>
</tr>
</tbody>
</table>

**. Correlation is significant at the .01 level (2-tailed).

Table 5.9: Spearman’s rank-order correlation test between time spent to get to the school and prospective students’ purchasing decision

<table>
<thead>
<tr>
<th>Spearman's rho</th>
<th>time spent to get to the school</th>
<th>enrolment decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>time spent to get to the school Correlation Coefficient Sig. (2-tailed) N</td>
<td>1.000</td>
<td>.171*</td>
</tr>
<tr>
<td>enrolment decision Correlation Coefficient Sig. (2-tailed) N</td>
<td>.171*</td>
<td>1.000</td>
</tr>
</tbody>
</table>

*. Correlation is significant at the .05 level (2-tailed).
Table 5.10: Spearman’s rank-order correlation test between accessibility of the school (mean of location of the school and time spent to get to the school) and prospective students’ purchasing decision

<table>
<thead>
<tr>
<th>Spearman's rho</th>
<th>accessibility of the school</th>
<th>enrolment decision</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Correlation Coefficient</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>N</td>
<td></td>
</tr>
<tr>
<td>Spearman's rho</td>
<td>accessibility of the school</td>
<td>enrolment decision</td>
</tr>
<tr>
<td></td>
<td>Correlation Coefficient</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>N</td>
<td></td>
</tr>
</tbody>
</table>

**. Correlation is significant at the .01 level (2-tailed).

Ho4: There is no relationship between accessibility of the school and prospective students’ purchasing decision.

Ha4: There is a relationship between accessibility of the school and prospective students’ purchasing decision.

Or in statistical term, it is stated as:

Ho4: $\rho = 0$

Ha4: $\rho \neq 0$, $\alpha = 0.025$, 95% level of significance
Significant Level (2-tailed test): The bivariate test of accessibility of the school, which is computed from mean of location of the school and time spent to get to the school, shows the significant value of 0.000 which is less than 0.025. This means that the null hypothesis is rejected while the alternate hypothesis is accepted.

Correlation Coefficient: The correlation coefficient value of accessibility of the school equals .326, suggesting that there is a positive relationship between accessibility of the school and prospective students' purchasing decision. Also, the value shows medium correlation between these two variables.

Discussion of Results: The result of the test reveals the fact that prospective students of franchised English language schools in Bangkok take accessibility of the school into consideration before deciding to enroll in any franchised English language school.
**Hypothesis 5**

Table 5.11: Spearman’s rank-order correlation test between instructor’s English academic skill and prospective students’ purchasing decision

<table>
<thead>
<tr>
<th></th>
<th>instructor’s English academic skill</th>
<th>enrolment decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spearman’s rho</td>
<td>Correlation</td>
<td>.295**</td>
</tr>
<tr>
<td></td>
<td>English academic Coefficient</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>200</td>
</tr>
<tr>
<td>enrolment</td>
<td>Correlation</td>
<td>.205**</td>
</tr>
<tr>
<td>decision</td>
<td>Coefficient</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>200</td>
</tr>
</tbody>
</table>

**. Correlation is significant at the .01 level (2-tailed).

Table 5.12: Spearman’s rank-order correlation test between instructor’s teaching skill and prospective students’ purchasing decision

<table>
<thead>
<tr>
<th></th>
<th>instructor’s teaching skill</th>
<th>enrolment decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spearman’s rho</td>
<td>Correlation</td>
<td>.267**</td>
</tr>
<tr>
<td></td>
<td>Teaching skill</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Coefficient</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>200</td>
</tr>
<tr>
<td>enrolment</td>
<td>Correlation</td>
<td>.267**</td>
</tr>
<tr>
<td>decision</td>
<td>Coefficient</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>200</td>
</tr>
</tbody>
</table>

**. Correlation is significant at the .01 level (2-tailed).
Table 5.13: Spearman's rank-order correlation test between instructor's qualifications (mean of instructor's English academic skill and instructor's teaching skill) and prospective students' purchasing decision

<table>
<thead>
<tr>
<th></th>
<th>instructor's qualifications</th>
<th>enrolment decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spearman's rho</td>
<td>Correlation</td>
<td>Coefficient</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Sig. (2-tailed)</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td></td>
</tr>
<tr>
<td>instructor's qualifications</td>
<td>1.000</td>
<td>.294**</td>
</tr>
<tr>
<td></td>
<td></td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>200</td>
</tr>
<tr>
<td>enrolment decision</td>
<td>.294**</td>
<td>1.000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>200</td>
</tr>
</tbody>
</table>

**. Correlation is significant at the .01 level (2-tailed).

Ho5: There is no relationship between instructor's qualifications and prospective students' purchasing decision.

Ha5: There is a relationship between instructor's qualifications and prospective students' purchasing decision.

Or in statistical term, it is stated as:

Ho5: \( \rho = 0 \)

Ha5: \( \rho \neq 0, \alpha = 0.025, 95\% \text{ level of significance} \)
Significant Level (2-tailed test): The bivariate test of instructor’s qualifications, which is computed from mean of instructor’s English academic skill and instructor’s teaching skill, show the significant value of 0.000, which is less than 0.025. This means that the null hypothesis is rejected while the alternate hypothesis is accepted.

Correlation Coefficient: The correlation coefficient value of instructor’s qualifications equals .294, suggesting that there is a positive relationship between instructor’s qualifications and prospective students’ purchasing decision. However, the value shows low correlation between these two variables.

Discussion of Results: The result of the test reveals the fact that prospective students of franchised English language schools in Bangkok take instructor’s qualifications into consideration before deciding to enroll in any franchised English language school.
**Hypothesis 6**

Table 5.14: Spearman’s rank-order correlation test between friends attending the school and prospective students’ purchasing decision

<table>
<thead>
<tr>
<th></th>
<th>friends attending the school</th>
<th>enrolment decision</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Spearman’s rho</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>friends attending the school</td>
<td>1.000</td>
<td>.119</td>
</tr>
<tr>
<td>Correlation Coefficient</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td></td>
<td>.095</td>
</tr>
<tr>
<td>N</td>
<td>200</td>
<td>200</td>
</tr>
<tr>
<td>enrolment decision</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Correlation Coefficient</td>
<td>.119</td>
<td>1.000</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.095</td>
<td></td>
</tr>
<tr>
<td>N</td>
<td>200</td>
<td>200</td>
</tr>
</tbody>
</table>

Ho6: There is no relationship between friends attending the school and prospective students’ purchasing decision.

Ha6: There is a relationship between friends attending the school and prospective students’ purchasing decision.

Or in statistical term, it is stated as:

Ho6: $\rho = 0$

Ha6: $\rho \neq 0$, $\alpha = 0.025$, 95% level of significance
Significant Level (2-tailed test): The bivariate test shows the significant value of 0.095 which is more than 0.025. This means that the null hypothesis is accepted while the alternate hypothesis is rejected.

Discussion of Results: The result of the test reveals the fact that prospective students of franchised English language schools in Bangkok do not take friends attending the school into consideration before deciding to enroll in any franchised English language school.

Hypothesis 7

Table 5.15: Spearman’s rank-order correlation test between subjects taught at the school and prospective students’ purchasing decision

<table>
<thead>
<tr>
<th>Spearman’s rho</th>
<th>subjects taught at the school</th>
<th>enrolment decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>Correlation</td>
<td>.172**</td>
<td>.172**</td>
</tr>
<tr>
<td>Coefficient</td>
<td>1.000</td>
<td>.172**</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.015</td>
<td>.015</td>
</tr>
<tr>
<td>N</td>
<td>200</td>
<td>200</td>
</tr>
</tbody>
</table>

*Correlation is significant at the .05 level (2-tailed).
Ho7: There is no relationship between curriculum and prospective students’ purchasing decision.

Ha7: There is a relationship between curriculum and prospective students’ purchasing decision.

Or in statistical term, it is stated as:

Ho7: $\rho = 0$

Ha7: $\rho \neq 0$, $\alpha = 0.025$, 95% level of significance

Significant Level (2-tailed test): The bivariate test shows the significant value of 0.015 which is less than 0.025. This means that the null hypothesis is rejected while the alternate hypothesis is accepted.

Correlation Coefficient: The correlation coefficient value equals .172, suggesting that there is a positive relationship between the curriculum and prospective students’ purchasing decision. However, the value shows only a low correlation between these two variables.

Discussion of Results: The result of the test reveals the fact that prospective students of franchised English language schools in Bangkok take the curriculum into consideration before deciding to enroll in any franchised English language school.
Hypothesis 8

Table 5.16: Spearman’s rank-order correlation test between school’s services and prospective students’ purchasing decision

<table>
<thead>
<tr>
<th></th>
<th>school’s services</th>
<th>enrolment decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spearman’s rho</td>
<td>1.000</td>
<td>0.244**</td>
</tr>
<tr>
<td>Correlation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Coefficient</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td></td>
<td>0.000</td>
</tr>
<tr>
<td>N</td>
<td>200</td>
<td>200</td>
</tr>
<tr>
<td>enrolment decision</td>
<td>0.244**</td>
<td>1.000</td>
</tr>
<tr>
<td>Correlation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Coefficient</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>0.000</td>
<td></td>
</tr>
<tr>
<td>N</td>
<td>200</td>
<td>200</td>
</tr>
</tbody>
</table>

**. Correlation is significant at the .01 level (2-tailed).

Table 5.17: Spearman’s rank-order correlation test between school’s ergonomic study environment and prospective students’ purchasing decision

<table>
<thead>
<tr>
<th></th>
<th>school’s ergonomic study environment</th>
<th>enrolment decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spearman’s rho</td>
<td>1.000</td>
<td>0.272**</td>
</tr>
<tr>
<td>Correlation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Coefficient</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td></td>
<td>0.000</td>
</tr>
<tr>
<td>N</td>
<td>200</td>
<td>200</td>
</tr>
<tr>
<td>enrolment decision</td>
<td>0.272**</td>
<td>1.000</td>
</tr>
<tr>
<td>Correlation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Coefficient</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td></td>
<td>0.000</td>
</tr>
<tr>
<td>N</td>
<td>200</td>
<td>200</td>
</tr>
</tbody>
</table>

**. Correlation is significant at the .01 level (2-tailed).
Table 5.18: Spearman’s rank-order correlation test between school’s self-study equipment and prospective students’ purchasing decision

<table>
<thead>
<tr>
<th>Spearman’s rho</th>
<th>school’s self-study equipment</th>
<th>enrolment decision</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Correlation</td>
<td>Coefficient</td>
</tr>
<tr>
<td></td>
<td>1.000</td>
<td>.194**</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.006</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>200</td>
</tr>
<tr>
<td>enrolment</td>
<td>Correlation</td>
<td>1.000</td>
</tr>
<tr>
<td>decision</td>
<td>Coefficient</td>
<td>.194**</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.006</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>200</td>
</tr>
</tbody>
</table>

**. Correlation is significant at the .01 level (2-tailed).

Table 5.19: Spearman’s rank-order correlation test between school facilities (median of school’s services, school’s ergonomic study environment and school’s self-study equipment) and prospective students’ purchasing decision

<table>
<thead>
<tr>
<th>Spearman’s rho</th>
<th>school facilities</th>
<th>enrolment decision</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Correlation</td>
<td>Coefficient</td>
</tr>
<tr>
<td></td>
<td>1.000</td>
<td>.243**</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.001</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>200</td>
</tr>
<tr>
<td>enrolment</td>
<td>Correlation</td>
<td>1.000</td>
</tr>
<tr>
<td>decision</td>
<td>Coefficient</td>
<td>.243**</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.001</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>200</td>
</tr>
</tbody>
</table>

**. Correlation is significant at the .01 level (2-tailed).
Ho8: There is no relationship between school facilities and prospective students' purchasing decision.

Ha8: There is a relationship between school facilities and prospective students’ purchasing decision.

Or in statistical term, it is stated as:

Ho8: $\rho = 0$

Ha8: $\rho \neq 0, \alpha = 0.025$, 95% level of significance

**Significant Level** (2-tailed test): The bivariate test of school facilities, which is computed from median of school’s services, school’s ergonomic study environment, and school’s self-study equipment, show the significant value of 0.001, which is less than 0.025. This means that the null hypothesis is rejected while the alternate hypothesis is accepted.

**Correlation Coefficient:** The correlation coefficient value of school facilities equals .243, suggesting that there is a positive relationship between school facilities and prospective students’ purchasing decision. However, the value shows low correlation between these two variables.
Discussion of Results: The result of the test reveals the fact that prospective students of franchised English language schools in Bangkok take school facilities into consideration before deciding to enroll in any franchised English language school.
Summary of Results of Hypothesis Testing

The results of hypothesis testing are summarized in table 5.20.

Table 5.20: Summary of results of hypothesis testing

<table>
<thead>
<tr>
<th>Null Hypothesis</th>
<th>Statistical Test</th>
<th>Correlation Coefficient</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>There is no relationship between fee and prospective students' purchasing decision.</td>
<td>Spearman</td>
<td>.324**</td>
<td>Reject Ho</td>
</tr>
<tr>
<td>There is no relationship between word of mouth publicity and prospective students' purchasing decision.</td>
<td>Spearman</td>
<td>.446**</td>
<td>Reject Ho</td>
</tr>
<tr>
<td>There is no relationship between brand name and prospective students' purchasing decision.</td>
<td>Spearman</td>
<td>.295**</td>
<td>Reject Ho</td>
</tr>
<tr>
<td>There is no relationship between accessibility of the school and prospective students' purchasing decision.</td>
<td>Spearman</td>
<td>.326**</td>
<td>Reject Ho</td>
</tr>
<tr>
<td>There is no relationship between instructor's qualifications and prospective students' purchasing decision.</td>
<td>Spearman</td>
<td>.294**</td>
<td>Reject Ho</td>
</tr>
<tr>
<td>There is no relationship between friends attending the school and prospective students' purchasing decision.</td>
<td>Spearman</td>
<td>.119</td>
<td>Accept Ho</td>
</tr>
<tr>
<td>There is no relationship between curriculum and prospective students' purchasing decision.</td>
<td>Spearman</td>
<td>.172*</td>
<td>Reject Ho</td>
</tr>
<tr>
<td>Null Hypothesis</td>
<td>Statistical Test</td>
<td>Correlation Coefficient</td>
<td>Result</td>
</tr>
<tr>
<td>----------------</td>
<td>------------------</td>
<td>-------------------------</td>
<td>--------</td>
</tr>
<tr>
<td>There is no relationship between school facilities and prospective students’ purchasing decision.</td>
<td>Spearman</td>
<td>.243**</td>
<td>Reject Ho</td>
</tr>
</tbody>
</table>

**Summary of Findings Regarding Hypothesis Testing**

According to the hypothesis testing results, it can be concluded that before deciding to enroll in any franchised English language school in Bangkok, prospective students will take the following factors into consideration: English course fee, word of mouth publicity of the school, brand name, accessibility of the school, instructor’s qualifications, curriculum, and school facilities. However, the fact that their friends attend the school does not affect their decisions. In other words, prospective students do not consider friends attending the school before making English course enrollment decision.
CHAPTER 6
SUMMARY OF FINDINGS, CONCLUSIONS AND
RECOMMENDATIONS

This chapter serves as a conclusion of the whole research. It states the summary of all findings and conclusions of the research. In addition, it also yields recommendations for franchised English language school operators in Bangkok as well as for further study.

6.1 Summary of Findings

Referring to the statement of problem of this research, ‘What is the relationship between selected factors and decision to enroll in franchised English language school in Bangkok by potential students?’, the research focuses on investigating the association between factors that prospective students consider before making an enrolment decision and the enrollment decision itself. As a result, the researcher found that before making an enrolment decision, prospective students consider the following factors: English course fee; word of mouth publicity of the school; brand name; accessibility of the school; instructor’s qualifications; curriculum; and school facilities. This means that these factors are related to the enrolment decision. Nevertheless, prospective students do not consider the fact that their friends attend the school as important to the decision.

Concerning the relationship between these selected factors and enrolment decision, the researcher also found that all of the selected factors, except friends attending
the school, have a positive relationship with the enrolment decision made by prospective students of franchised English language schools in Bangkok.

6.2 Conclusions

To summarize the whole research into one picture, it can be said that the research has fulfilled all three objectives stated in chapter one; to identify factors affecting the decision of prospective students for seeking enrolment in franchised English language school in Bangkok; to examine whether a relationship exists between identified independent variables and a dependent variable; and to measure the relationship between identified independent variables and a dependent variable.

Regarding the first objective, the research has identified seven factors relating to an enrolment decision in franchised English language schools in Bangkok. These factors are English course fee, word of mouth publicity, brand name, accessibility of the school, instructor’s qualifications, curriculum, and school facilities.

Regarding the second and third objectives, the research has determined that there is a positive relationship between the following factors; English course fee; word of mouth publicity; brand name; accessibility of the school; instructor’s qualifications; curriculum; and school facilities; and the enrolment decision.

Therefore, it can be concluded that the research sheds light on franchised English language schools business in Bangkok. Due to this research, school operators will be able to decide what factors they should focus their limited resources on in order to attract more students and ultimately, to survive in this highly competitive business.
6.3 Recommendations

6.3.1 Recommendations for franchised English language school operators in Bangkok

As mentioned earlier in the significance of the study in chapter one, the research results yield direct benefits to franchised English language school operators in Bangkok. These results can help them to identify factors that prospective students consider before enrolling in any franchised English language school. After that, they will be able to focus their limited resources, such as employees and money, on the improvement of those factors in order to attract more students, and ultimately, to be able to survive in this competitive industry.

This research has identified seven factors relating to prospective students’ enrolment decision. This means that prospective students consider these seven factors before they enroll in any franchised English language school. These factors are English course fee, word of mouth publicity, brand name, accessibility of the school, instructor’s qualifications, curriculum and school facilities. Below are recommendations for each factor:

**English course fee:** English course fee has positive relationship with prospective students’ enrolment decision, meaning that the more happy prospective students are with the English course fee, the more they enroll in a school. Therefore, franchised English language school operators should set a rational fee structure, the fee that prospective
students are able and willing to pay, in order to increase the number of students enrolling in their schools.

**Word of mouth publicity:** Word of mouth publicity positively relates to prospective students’ enrolment decision, meaning that the more word of mouth publicity a school has, the more prospective students will enroll in that school. Thus, franchised English language school operators should take care that their schools have strong word of mouth publicity by creating and maintaining close relationship with old students. For example, they can create a website community for old students to keep contacts with each other and with the schools.

**Brand name:** Brand name also positively relates to prospective students’ enrolment decision, meaning that the stronger the brand name is, the more prospective students enroll in that school. Thus, franchised English language school operators should try to build a strong brand name, in other words, make the brand names familiar to students. This can be accomplished through publicity or advertisements.

**Accessibility of the school:** Accessibility of the school has positive relationship with prospective students’ enrolment decision. This means that the more accessible the school is, the more prospective students enroll in the school. Hence, franchised English language school operators should make the school accessible to students in terms of both location and time spent to get to the school. For instance, the schools should be located in business areas, shopping malls or the areas that have convenient public transportations.

**Instructor’s qualifications:** Instructor’s qualifications positively relate to prospective students’ enrolment decision, meaning that the better the instructor’s
qualifications, the higher the number of prospective students enrolling in that school. Thus, franchised English language school operators should carefully recruit only teachers with excellent qualifications, in terms of both English academic and teaching skills. In addition, school operators should also advertise this meticulous recruitment in order to make it known to prospective students.

**Curriculum:** Curriculum have a positive relationship with prospective students' enrolment decision. This means that the better the curriculum, the higher the number of prospective students enrolling in the school. Therefore, franchised English language school operators should design the curriculum, or subjects taught, that are effective and useful to each target group. For example, for students, the curriculum should enhance their language performance at schools and should make them more competitive in examinations. For employees and businessmen, the curriculum should increase their value in the job market as well as their career advancement opportunity.

**School facilities:** School facilities, including services, ergonomic study environment and self-study equipment, positively relate to prospective students' enrolment decision, meaning that the better the school facilities, the higher the number of prospective students enrolling in the school. Therefore, franchised English language school operators should provide facilities of high quality to their students.
6.3.2 Recommendation for further research

Since the focal area of this research is limited to Bangkok, its findings may not be generalized enough to be applied to other geographical areas. Therefore, further study should expand the extent of the research to regional or national area in order to gain more generalized results.

Furthermore, if a further study would like to focus on specific cities, rather than regional or national area as suggested earlier, it should select a major city of each region, such as Chiang Mai and Kon Kan.
REFERENCES


Questionnaire

Part 1. Personal Data of Respondents

Instruction: Please put ✓ in front of the answers

1. Age
   □ Below 20
   □ 20-25
   □ 26-30
   □ 31 and above

2. Gender
   □ Male
   □ Female

3. Occupation
   □ Student
   □ Business Employee
   □ Government Officer
   □ State Enterprise Officer
   □ Others (please identify) ________

4. Highest Education Level (or Current Education Level)
   □ High School
   □ Diploma or Equivalent
   □ Bachelor’s Degree or Equivalent
   □ Others (please identify) ____________________
Part 2. Decision Factors

1. If you want to enroll in an English course, do you make your own decision regarding English language school choice?
   - Yes (Go to question 3)
   - No (Go to question 2)

2. If not, who will make the decision for you?
   - Parents
   - Brother or sister
   - Teacher
   - Friend
   - Others, please indicate

3. How important are the following factors to you when you choose franchised English language school?

(Examples of franchised English language school in Bangkok: ACL English, Berlitz, British American, British Council, Direct English, ECC, EF English First, Elite, ELS, English Plus, Inlingua, Kaplan, Kingwood, Newport, Smart English, and WSI)

<table>
<thead>
<tr>
<th>Factors</th>
<th>Least Important</th>
<th>Less Important</th>
<th>Neutral</th>
<th>Important</th>
<th>Very Important</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. English course fee</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Word of mouth publicity</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Brand name</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Location of the school</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Time spent to get to the school</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Factors</td>
<td>Least Important</td>
<td>Less Important</td>
<td>Neutral</td>
<td>Important</td>
<td>Very Important</td>
</tr>
<tr>
<td>----------------------------------------------</td>
<td>-----------------</td>
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<td>----------------</td>
</tr>
<tr>
<td>6. Instructor's English academic skill</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. Instructor’s teaching skill</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8. Friends attending the school</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9. Subjects taught at the school</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10. School’s services (e.g. library service)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>11. School’s ergonomic study environment (e.g. furniture and air-conditioned room)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12. School's self-study equipment (e.g. audio-visual equipment)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
4. To what extent do you agree with the following statement?

<table>
<thead>
<tr>
<th>Statement</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>If you consider all of the factors included in question no.3 to be important/very important, then you will enroll in an English course at specified franchised English language school.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
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</table>