

The Opportunities and Marketing Strategies of Functional Drink for Sustainable Growth

Somdee Hongphisanvivat (Ph.D)* and Nirin Navasinlawat
Thammasat Business School, Thammasat University, Bangkok 10200, Thailand
somdee@tu.ac.th, somdeejtu@hotmail.com, navanirin@gmail.com

Abstract

Increasing in a more health concern to prevent diseases and improve quality of life aligning with rising health care costs have simultaneously enhanced opportunities for new food offerings added healthy value beyond their basic nutrition. This paper *advances the understanding of modern consumers* making their functional food choices with an empirical test. Employing both qualitative and quantitative methods to gain insight into key knowledge, the findings reveal more details of various dimensions of relevant factors *by different behaviors and types of functional drink previous research never done to provide the holistic view* among marketing mix, demographics and attitudes affecting consumer buying behavior, consumption and potential demand for functional drink in Thailand as a representative of developing country.

Successful in penetration of the high potential health-enhancing market, marketers need to better implement differentiated strategies *emphasizing experience and education marketing consistent with the modern consumers' lifestyle*. Female, middle family income and older aged group (≥ 35 years old) should be the major target while the younger (≤ 24 years old) and higher income should be the next focus segment. It is essential to *firstly* create the favorable attitude toward the self-medicine product by providing adequate knowledge how to consume and buy it suitably through effective communication, free trial and relevant reference groups' suggestion aligning with offering good experiences in adoption this product through superior convenience stores and supermarkets. *Secondly*, build reliable brand awareness and preferences through high product quality with good taste proved by FDA. *Finally*, develop up-to-date market information and good relationship with the loyal customers and other important stakeholders to *co-create superior value* of functional food and distinctive strategies to sustained advantages and growth opportunities driving *to sustainable human well-being*.

Keywords: functional food, consumer behaviour, marketing strategy, sustainability, Thailand

Introduction

Good health becomes critical to increase human well-being as it makes people get happiness, safety and self-reliance which in turn lead to sustainable economic and social development (Kay 2007; World Health Organization 2010). Even there are various alternatives to provide vitality, consumers today are searching for super foods or functional foods to keep them healthy, prevent diseases and improve their mental state (Bhaskaran and

Hardley 2002). The rapid increase in functional foods is due to their focus on nature or adding some food ingredients enhancing health benefits beyond their basic nutrition (Bogue et al. 2005). However, gaining potential health benefits require to consume well-balanced and healthful diet on a regular basis at the effective levels. Consumers also need to have enough knowledge and understanding of how to consume food appropriately since evidence indicates eating more vegetables and fruits resulting in health improvement, reducing risk of illness and lower long-term health care expenses (ADA 2004; Al-khamees 2009; Hassen 2008; Richard and Lawrence 2005). This trend as part of an unprecedented “do-it-yourself” approach to health is worth more than \$190 billion in 2010 with an average growth of 9.01% per year during 2005-2010 (Euromonitor 2011) and is expected to take a 10-12% share of the overall global food market in the next decade (Helen 2008). Of this amount, Japan will continue to be the world’s largest market for functional foods while Asia still contributes the largest share of functional food innovation due to the fast-increasing health-consciousness in China and other Asian countries (Helen 2008; Mun 2009). In particular, fortified/functional food and beverages exhibit 62.8% and 61.2%, the largest share value of Thailand health and wellness industry in 2010 and 2015 respectively (Euromonitor 2012). However, empirically academic research on consumer behavior and strategic implication of those products remain insufficient. This leads to a clear need for advancing study of consumer research to better prioritized marketing strategy suited to the new trends of health demand and sustainable this business growth to secure last long human welfare.

This paper aims to find out the in-depth knowledge of modern consumers with respect to the relevant marketing mix, consumer demographics and attitudes influencing their behaviour and potential needs of functional drink in Thailand. Both qualitative and quantitative methods are employed with an empirical test. Then appropriate marketing strategies are suggested and future research are recommended.

Background and Framework

1. Definition and Types of Functional Drink

There is no census definition and category of functional food and beverages. In North America, functional foods is defined as a broad category include nutrition-enhancing products, supplements and inherently healthy foods (Childs 1997). In Europe, a much narrower definition is used focusing only on foods designed to promote health or food sold for health benefits (Bhaskaran and Hardley 2002).

This study refers functional drink as modified/fortified beverages added food ingredients which provide specific health benefits beyond general nutrition. Although different classifications exist (Foodindustrythailand 2009), reviewing literature including the initial in-depth interviews with 30 Thai consumers suggest three recognized categories of functional drink as follows:

- a) Anti stress & relax
- b) Beauty & shape
- c) Health improvement & disease prevention such as constipation, smart brain, eye health, detoxification and physical strength

2. Marketing Situations and Opportunities

The functional drink in Thailand enjoys the value growth at 8 per cent reaching 2,900 mil. baths in 2010 with a greater consumer acceptance over the period of 2010-2015 and a high forecast value of more than 3,800 bil. baths in 2015 (Euromonitor 2012). Thai people are increasingly concerned of taking good care of themselves to avoid risk of disease enhancing 2 percent each year, to have nice external appearance especially in countering

obesity and controlling weight, and to prevent the health problems in diabetes, cancer, heart attack, etc. as well as to lower cost of health care (National Food Institute 2010). The government expenses of health services exhibit an average growth of 8.7 per cent during 2005-2009 accounting for 130.6 bil. baths in 2009 and is expected to reach 140 bil. baths by 2012 (Ongdee 2012). One major reason is due to an incremental population aging from 10.7 per cent in 2007 to 14 per cent in 2015 and almost 50 per cent of older Thai people face health problems in high blood pressure and 16 percent in diabetes (Ministry of Public Health 2010). *It, thus, fosters Thai consumers to have a more health concern, health eating and demand for health-enhancing benefits.* The other reason is an estimated increase by 3-5 percent per year of self-medication and disease prevention among 4.8 mil. high income households in Southeast Asia. This will boost demand for healthcare services in Asia-Pacific region to faster growing with an average of 9.2 per cent annually and valued at \$ 2,927 bil. by 2020; while, Thailand's 2020 healthcare services is forecast to reach \$25 bil. with a high annual growth rate of 8.4 per cent (Ongdee 2012). *As a result, it opens up the huge market for functional food and beverages as well as addresses more varieties and innovative health-enhancing products in Asia* (Foster and Lunn 2006; Kim 2009; Mun 2009).

3. Theoretical Background and Literature Review

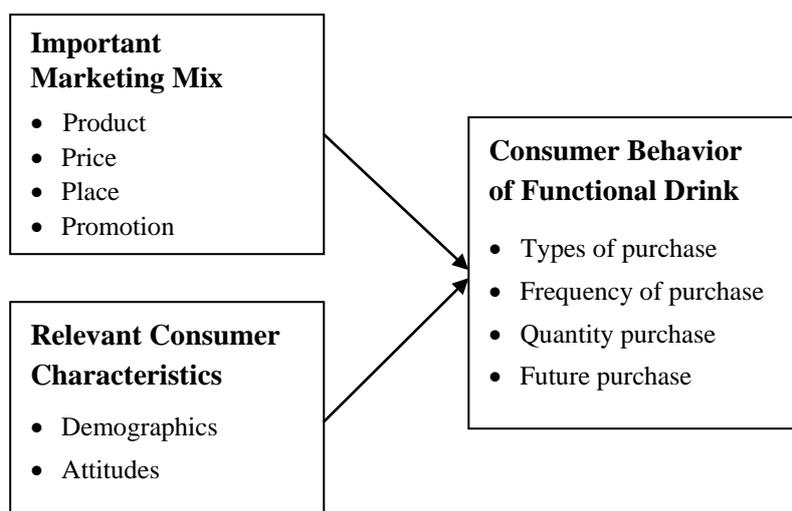
Better understanding consumers' behavior, motivation and attitude are critical for marketers to formulate an appropriate marketing strategy to satisfy their satisfaction and build loyalty (Kotler and Keller 2009). Especially, in-depth knowledge of current and future consumers focusing on *behavioural approach* is relevant to achieve effective marketing in health-enhancing food industry (Armstrong et al. 2005). Further, social factor needs greater considerations because *Eastern consumers view functional food or food offering a therapeutic effect differently from Western people*, and most Asian countries often refer the term functional food as health food (Hassen 2008; Tee 2004).

Several studies reveal the major target market of functional food is *female, older with 30-50 or 34-54 years old*, high social class or good education, *positive attitude*, more health concern and/or nutrition knowledge (e.g. Joe et al. 2005). There is also *different preference* in types of functional food across countries. While Japanese prefers functional drink added more nutrition value or health benefits, American people select most functional cereal and bread (IFIC 2007; Kim 2009). At the same time, marketing-mix elements affect consumer choice and consumption of functional food more than macro-environment factors (e.g. economics, politics and technology). For instance, high food quality and taste (Amstrong et al. 2005), appropriate pricing/value for money (Verbeke 2005), convenience purchase/easy accessibility (Craig and Douglas 2011) and direct communication of healthy benefits (Kim 2009) including positive word of mouth (Bansal and Voyer 2000) perform a greater impact on consumer food behavior and demand. Eventually, social factor regarding reference groups in particular family and government (Kara et al. 2009) and psychographic factor with respect to motivation and attitude (e.g. Markovina et al. 2010) appear to have a significant influence in functional food choice and consumption. Consumers pay more intention to buy functional foods when knowing their benefits over traditional foods, getting faster and promised health effects, obtaining favorable consumption experiences and having ill family members (Urala and Lahteenmaki 2004; Verbeke 2005). However, *some socio-demographic factors show inclusive results* (Niva and Makela 2007) *and there is a lack of holistic view studied about modern consumer behaviors toward various types of health-enhancing product for superior catching up its high opportunities and increasing human wellness.* These call for exploring multiple dimensions to provide more insightful consumer information needed to develop sound marketing strategies for creating superior health value driven to sustainable the food industry growth.

4. The Research Framework

The above review of relevant theories and previous studies including the initial in-depth interviews with 30 Thai consumers in February 2012 lead to a research framework suited to empirical test as shown in Figure 1. This framework explores the important marketing mix and consumer characteristics (demographics and attitudes) affecting consumers' behavior and their potential demand for functional drink. The important marketing mix is composed of four components: product, price, place and promotion/communication. While relevant demographics are sex, age, and family income. The last independent factor is attitudes composed of three basic components: cognitive/knowledge, affective/feeling and intention to buy functional drink, and two additional components: trust in products and needed consumption. These two latter components are suggested by initial in-depth interview and to avoid weak measurement of attitudes from previous studies (see Jayanti and Burns 1998 and Bhaskaran and Hardley 2002). Finally, the four crucial behaviors are considered: type of purchase, frequency of purchase, quantity purchase and future purchase of functional drink.

Figure 1: The Research Framework of Functional Drink for Empirical Test



Research Methodology

1. Research Method

This descriptive research employs qualitative and quantitative methods to explore Thailand' functional drink situation due to the four reasons. First, there is under advanced research of consumer behaviour in functional food choice and consumption in developing countries. Second, functional food is still new to Thai market and key knowledge is required to conduct advanced consumer research with regard to strategic implications for marketing sustainability (Hamlin 2000; Smith and Fletcher 2004). Third, functional food and beverages category in Thailand gains more than 60 per cent of market share and its consumption trend is increasing. Finally, Thailand is an appropriate hub of emerging Asian countries which will have high demand for health-enhancing products in future similarly more or less to other Eastern consumers. As such, better understanding Thai consumers provide greater contributions not only for Thai businesses but for world food opportunities.

2. Sampling and Data Collection

The study utilizes three qualitative in-depth interviews and one quantitative survey for data collection mainly based on multistage sampling techniques. The first in-depth interview was conducted in August 2011 with 4 managers involving healthy foods or functional drink businesses in Thailand. The second was carried out in February 2012 with 30 consumers mainly from one well-known university and one modern department store composed of convenience stores and supermarket selling varieties of functional drink. The third was held on March and April 2012 with 6 nutritionists of well-known private and public hospitals as well as with 9 officers in charge of purchasing or producing functional drink products in Thailand. These three qualitative techniques help clarify the real meaning and classification of functional food and beverages, identify marketing opportunities, target samples, their interests and initial marketing strategies including key questions and contents suited to investigate.

Then, the developed questionnaire modified from previous food studies (e.g. Moongooluem 2008; Ekachampaka and Wattanamano 2009; Hassan 2011) and in-depth interviews was tested using purposive sampling approach. The 30 actual consumers were selected from four modern department stores dispersed in the random areas of Bangkok, across 6 aged purchasing groups between 24 – 65 years old who consumed functional drink within last month before the pre-test.

Finally, the revised structural questionnaire composed of 6 parts including color pictures of various types of functional beverages currently available in Thai market was surveyed in May 2012 by personal interview using the multistage sampling technique. The 200 target samples were chosen from 3 well-known universities and 3 modern department stores scattered in the 6 random areas of Bangkok, across younger buyers aged between 24-35 years old who consumed functional drink within last month before the field study, and were desirable to complete the survey form. Using personal interview survey is to avoid problem in respondent knowledge gap and biased constraint to this data collection method (Parmenter and Wardle 2000). In addition, *young consumers are an interesting target for this research because they are more likely to accept novel foods* (Zychowicz-Jezewska 2009) and represent more than one-third of Thai population in 2011. Their age of 15-24 and 25-34 years old account for 12.6 per cent and 23.9 per cent of 2011 Thai labor force respectively (NESDB 2012).

3. Data Analysis

The usable 200 respondents were coded and analysed by SPSS for window 16 and 20. The analysis included reliability analysis, frequency, mean and cross tabulation aligning with testing hypotheses by chi-square statistics, independent samples t-test, ANOVA and/or Pearson correlation at the confidence interval of 95 per cent. The reliability analysis of the 30 samples pretested was carried out to ensure the consistency of the items measured and the results obtained. All measurements except taste, publicity and the two attitude components (cognitive and trust in products) showed the Cronbach's alpha coefficient of 0.7 or higher indicating acceptable reliability (Nunnally and Berstein 1994). The four measures lower alpha coefficient value were revised and/or added new items higher reliability with similar meaning for the actual survey and further analysis. For the in-depth interviews using open-ended questions were analyzed by content analysis and concluded the main results. They are used as the complement of quantitative analysis to improve or make more precise explanation as well as help develop more appropriate marketing strategies driven to sustainable growth.

Results and Discussions

1. Respondent Characteristics

The important demographic characteristics of the study are presented in Table 1 revealing 60 per cent of 200 respondents are female. Most of them are young consumers aged ≤ 24 years old. (52.5%), earned university degree (65.5%) and have high family income more than 50,000 baths per month (42.4%).

Table 1: Important Demographics of Respondents

Respondents' characteristics	% of 200 Respondents	Respondents' characteristics	% of 200 Respondents
1. Sex		3. Education	
1.1 Male	40.0	3.1 Lower university degree	23.5
1.2 Female	60.0	3.2 University degree	65.5
2. Age (years)		3.3 Higher university degree	11.0
2.1 ≤ 24	52.5	4. Household Income (baths/month)	
2.2 25-34	31.0	4.1 $\leq 30,000$	31.8
2.3 $\geq 35^*$	16.5	4.2 30,001-50,000	25.8
		4.3 $> 50,000$	42.4

Notes: * It is composed of 35-44, 45-54, 55-64 and ≥ 65 years old representing 10.0%, 3.5%, 2.5% and 0.5% respectively.

2. Knowledge and Functional Drink Behavior

2.1 Knowledge of functional drink

At the beginning of the survey, *there were 22 per cent of 200 respondents familiar with the term "functional drink"*. After the researchers let them read the definition and have explained with the color examples in the prepared brochure, all respondents are aware of the meaning of this surveyed product.

2.2 Functional drink behavior

Certain variables of buying behavior composed of types of purchase, frequency of buying, quantity purchase and future purchase of functional drink are tabulated in Table 2. While table 3 and table 4 exhibit the impact of marketing mix and attitudes on buying behavior of functional drink respectively. A chi-square test and t-test or ANOVA were executed on each buying variable to test for significant differences in demographics, marketing mix or 4p's and 5 attitude components.

1) Types of purchase. Respondents buy Anti-stress and relax (39.0 per cent of the total 477 answers) more than the other two types of functional drink because it offers basic and compatible benefit (*freshness*) beside more nutrition value added which most consumers need and recognize. However, *female buys more Beauty and shape (26.4 per cent) than male (19.1 per cent)* at the significant level of alpha 0.05 since in general women pay attention to have nice external appearance more than men. Further findings indicate many marketing-mix elements play significant role in product choice. While *product quality* and *place/channel* importantly influence in buying Anti-stress and relax, *promotion* in particular *advertising* and *place to buy* (such as convenience store) have more impact on buying Beauty drink at the significant level of alpha 0.05/0.01 and 0.01/0.05 respectively. On the similar vein, all *attitude components* except trust in product show significant impact more on buying Beauty and shape than on Health improvement and Anti-stress at alpha 0.05. For instance, consumers buy more Beauty and shape than the other products due to *more knowledge* (Mean score 2.74), *needed consumption* (Mean score 2.42) and feeling good about it (Mean score 2.63).

Table 2: Buying Behavior of Functional Drink by Sex and Family Income

Buying behavior of functional drink	Total	Sex		Family income (bath/month)		
		Male	Female	Low	Medium	High
1. Types of purchase (n = 477 answers)	n=477	n=178	n=299	n=155	n=129	n=189
Anti-stress and relax (a)	39.0%	42.1%	37.1%	38.7%	38.0%	39.7%
Beauty and shape (b)	23.7%	19.1%	26.4%	25.8%	24.0%	21.7%
Health improvement & disease prevention ¹ (h)	37.3%	38.8%	36.5%	35.5%	38.0%	38.6%
<i>Significant tested results</i>		X^2 sig.0.001				
2. Frequency of buying(n = 200 respondents)	n=200	n=80	n=120	n=63	n=51	n=84
Every day/2-3 times a week	37.5%	40.0%	35.8%	30.2%	47.1%	35.7%
Every week	29.5%	23.8%	33.3%	38.1%	23.5%	27.4%
Every month/2-3 times a month	33.0%	36.2%	30.8%	31.7%	29.4%	36.9%
<i>Significant tested results</i>		$X^2(a)$ sig.0.085 $X^2(h)$ sig.0.011		$X^2(a)$ sig.0.053 $X^2(h)$ sig.0.024		
3. Quantity purchase (n = 864 answers)	n=864	n=321	n=543	n=286	n=233	n=337
≤ 100 (bath/month)	49.5%	48.9%	49.9%	48.6%	42.1%	55.5%
> 100 (bath/month)	50.5%	51.1%	50.1%	51.4%	57.9%	44.5%
<i>Significant tested results</i>		$X^2(h)$ sig.0.048		$X^2(h)$ sig.0.056		
4. Future purchase (n = 194 respondents)	n=194	n=78	n=116	n=60	n=51	n=81
Same	63.4%	70.5%	58.6%	58.3%	66.7%	64.2%
Increase 10-20%	19.6%	19.2%	19.8%	16.7%	19.6%	22.2%
Increase > 20%	17.0%	10.3%	21.6%	25.0%	13.7%	13.6%
<i>Significant tested results</i>		t sig.0.083 $t(b)$ sig.0.053 $t(h)$ sig.0.062				

Note: 1. Health improvement and disease prevention is composed of constipation, smart brain, eye health, detoxification and physical strength.

2) Frequency of purchase. Of the total 200 respondents, 37.5 per cent buy functional drink every day or 2-3 times a week and 33.0 per cent buy once a month or 2-3 times a month. The fact is they consume functional drink every day or 2-3 times a week (38.5 per cent), followed by every month or 2-3 times a month and every week (31.5 and 30.0 per cent respectively). *Males* buy Anti-stress and relax more often (every day or 2-3 times a week) than females (40.0 per cent compared with 35.8 per cent respectively) at the significant level of alpha 0.01 due to have more consumption of such product than females (42.1 compared with 37.1 per cent). In contrast, more women (33.3 per cent) buy Beauty drink every week than men (23.8 per cent). *Family income* also has significant impact on frequent buying of Anti-stress and Health improvement at alpha 0.01 and 0.05 respectively. The findings reveal more low family income respondents (38.1 per cent) buy functional drink most every week while more medium group (47.1 per cent) every day or 2-3 times a week and more high income (36.9 per cent) every month. These frequent buying behaviors in particular buying more often (every day and every week) Anti-stress and Relax product are significantly influenced by *promotion and attitude (affective/feeling)* at alpha 0.01 and 0.05 respectively.

Table 3: Buying Behavior of Functional Drink by Marketing Mix

Buying behavior of functional drink	Mean (full score of 3)				
	Overall 4p's	Product	Price	Place	Promotion
1. Types of purchase (n = 200 respondents)					
Anti-stress and relax (a)	2.85	2.92	2.90	2.96	2.62

Beauty and shape (b)	2.88	2.90	2.91	2.96	2.72
Health improvement and prevention (h)	2.87	2.92	2.92	2.96	2.64
<i>Significant tested results</i>		$t(a)^1 sig.0.008$		$t(a) sig.0.099$ $t(b)^2 sig.0.075$	$t(b) sig.0.004$ $t(b)^3 sig.0.027$ $t(h) sig.0.004$
2. Frequency of buying (n = 200 respondents)					
Every day/2-3 times a week	2.87	2.93	2.92	2.96	2.65
Every week	2.85	2.92	2.92	2.95	2.59
Every month/2-3 times a month	2.85	2.89	2.88	2.94	2.64
<i>Significant tested results</i>					$F^4 sig.0.098$
3. Quantity purchase (n = 186 respondents)					
≤ 100 (bath/month)	2.88	2.93	2.92	2.96	2.68
> 100 (bath/month)	2.87	2.90	2.89	2.98	2.67
<i>Significant tested results</i>		$t(h)^7 sig.0.073$	$t(a) sig.0.099$	$t(h)^6 sig.0.069$ $t(h)^8 sig.0.013$ $t(h)^9 sig.0.069$	$t(a)^5 sig.0.080$ $t(h)^{10} sig.0.042$ $t(h)^{11} sig.0.075$
4. Future purchase (n = 182 respondents)					
Same	2.82	2.91	2.91	2.93	2.58
Increase 10-20%	2.97	2.97	2.89	3.00	2.76
Increase > 20%	2.90	2.90	2.95	2.95	2.62

Note: $t(a)^1$ the significant impact of product (**quality**) on Anti-stress and relax
 $t(b)^2$ the significant impact of place (**place to buy**) on Beauty and shape
 $t(b)^3$ the significant impact of promotion (**advertising**) on Beauty and shape; there are also other promotions (**personal selling** [$t(b)^3 sig. 0.002$] and **sales promotion** [$t(b)^3 sig. 0.022$])
 F^4 the significant impact of promotion (**publicity**) on overall types of functional drink
 $t(a)^5$ the significant impact of promotion (**sales promotion**) on Anti-stress and relax
 $t(h)^6$ the significant impact of place (**nature of channel**) on Constipation
 $t(h)^7$ the significant impact of product (**brand**) on Smart brain
 $t(h)^8$ the significant impact of place (**nature of channel**) on Eye health
 $t(h)^9$ the significant impact of overall place on Physical strength
 $t(h)^{10}$ the significant impact of overall promotion on Physical strength
 $t(h)^{11}$ the significant impact of promotion (**publicity**) on Physical strength

Table 4: Buying Behavior of Functional Drink by Attitudes

Buying behavior of functional drink	Mean (full score of 3)				
	Cognitive/knowledge	Needed consumption	Trust in product	Affective/feeling	Intention/willing to buy
1. Types of purchase (n = 199 respondents)					
Anti-stress and relax (a)	2.64	2.29	2.93	2.53	2.64
Beauty and shape (b)	2.74	2.42	2.92	2.63	2.71
Health improvement and prevention (h)	2.68	2.31	2.93	2.53	2.66
<i>Significant tested results</i>	<i>t(b) sig.0.003</i> <i>t(h)¹ sig.0.025</i>	<i>t(b) sig.0.000</i>		<i>t(b) sig.0.001</i>	<i>t(b) sig.0.040</i>
2. Frequency of buying(n = 199 respondents)					
Every day/2-3 times a week	2.63	2.29	2.93	2.59	2.64
Every week	2.71	2.33	2.97	2.60	2.76
Every month/2-3 times a month	2.64	2.29	2.88	2.38	2.55
<i>Significant tested results</i>				<i>F sig.0.022</i> <i>F(a) sig.0.015</i>	
3. Quantity purchase (n = 185 respondents)					
≤ 100 (bath/month)	2.88	2.93	2.92	2.96	2.68
> 100 (bath/month)	2.87	2.90	2.89	2.98	2.67
<i>Significant tested results</i>		<i>t(a) sig.0.030</i>		<i>t(a) sig.0.069</i> <i>t(h)² sig.0.064</i> <i>t(h)³ sig.0.071</i>	
4. Future purchase (n = 182 respondents)					
Same	2.57	2.18	2.92	2.48	2.63
Increase 10-20%	2.79	2.53	3.00	2.55	2.61
Increase > 20%	2.81	2.43	2.90	2.67	2.71
<i>Significant tested results</i>				<i>F sig.0.002</i>	

Note: **t(h)¹** the significant impact of attitude component (**cognitive/knowledge**) on overall health improvement and disease prevention

t(h)² the significant impact of attitude component (**affective/feeling**) on Eye health

t(h)³ the significant impact of attitude component (**affective/feeling**) on Physical strength

3) Quantity purchase. Even there are no much differences in monthly buying functional drink between ≤ 100 baths (49.5 per cent of 864 answers) and > 100 baths (50.5 per cent), *males* pay more for *Health improvement* than females (51.1 compared with 50.1 per cent respectively) at the significant level of alpha 0.05. The *medium family income* respondents also significantly spend money on Health improvement more than the low and high income group (57.9 compared with 51.4 and 44.5 per cent respectively) at alpha 0.01. Interestingly, all marketing factors show more impact on quantity purchase of functional drink at the significant level of alpha 0.01-0.05, in particular *the reliable brand* on Smart brain, overall place and *the nature of channel* (e.g. easy to access the channel or find the product purchased) on Constipation and Eye health, overall promotion and *publicity* on Physical strength and pricing on Anti-stress. Meanwhile, two attitude components (*needed consumption and affective/feeling*) exhibit the significant influence in quantity purchase of Anti-stress and Health improvement (Eye health and Physical strength) at alpha 0.05 and 0.01 respectively. *It appears the more favorable attitudes (in particular, feeling good) toward the functional drink, the more quantity purchase.*

4) Future purchase. The potential market of functional drink seems superb as 19.6 per cent of 194 respondents will increase buying 10-20 per cent in future and 17.0 per cent is

likely to enhance the purchase of more than 20 per cent. Especially, more *females* (21.6 per cent) than males (10.3 per cent) tend to increase spending more than 20 per cent on *Beauty and Health improvement* at the significant level of alpha 0.01. The findings also reveal *positive affective/feeling* toward the functional drink instead of marketing mix has the greatest significant impact on enhancing its future demand for next year at alpha 0.05.

3. Critical Factors Affecting Functional Drink Behavior

The findings support different buying behaviors of functional drink depend on various dimensions of critical factors: marketing mix, demographics and attitudes. Among the key elements of marketing mix, *place or channel distribution* plays the most significant influence in product choice and quantity purchase of functional drink. This is due to most respondents being young consumers (52.5% of the 200 usable samples aged ≤ 24 years old), having a preference to Anti-stress and Relax over Beauty and Health improvement and more frequent buying (every day or once a week) as well as more favor to find the product purchased at the convenience store. The second influential marketing factor is *promotion* showing a more significant impact on choice of functional drink, in particular Health improvement and Beauty drink aligning with quantity purchase. The major reason is more respondents are older (16.5% aged ≥ 35 years old), prefer Health improvement and often buy once a month with a greater spending. They, thus, need more details information through television and special incentives, such as trial samples. Further findings state effective promotion through modern online media communication becomes increasingly critical to encourage new and female consumers to buy more Beauty drink and Physical strength. At the same time, *product quality with good taste* performs more significant influence in product choice of Anti-stress, more frequent buying and greater quantity purchase of Health improvement for Smart brain. While **price** exhibits less significant impact on functional drink behavior, only the quantity purchase of Anti-stress ≤ 100 baths per month. *These results confirm the importance of marketing factors to buying decision on functional drink implying appropriate marketing strategies are essential.*

Demographics composed of several key dimensions such as sex, age, education and income remain critical consumer characteristics to differentiate functional drink behavior. This study selects sex and family income as representatives because of focusing on younger and higher educated samples. *The findings support both demographic factors show significant influence in buying behavior but sex plays more critical role than family income.* The former affects all types of functional drink behavior at the significant level of alpha 0.05-0.01 while the latter has some significant impacts on frequent buying and quantity purchase of Anti-stress and/or Health improvement. Female appear to be a high potential market of Beauty drink. Medium family income respondents are also considered a potential market as most often buy functional drink every day with a greater spending while low income has a higher potential demand due to likely enhancing the purchase of more than 20 per cent and paying for more quantity every week. *These support marketers to use sex and family income as key demographic factors for effective market segmentation of functional drink.*

Another crucial consumer characteristic is attitude toward functional drink. Among its five dimensions, *affective/feeling* indicates the most significant impact on buying behavior of the health-enhancing product, followed by *cognitive/knowledge and needed consumption*. Cognitive/knowledge is critical for product choice decision in particular Beauty drink and Health improvement; while, Affective/feeling determines types of purchase Beauty drink, quantity purchase of Health improvement and Anti-stress, frequency of buying and future demand for functional drink. *Intention/willing to buy* the functional drink also performs a significant impact on Beauty drink at alpha 0.05. *These confirm favorable attitudes on different dimensions play critical role on penetration of functional drink market.*

Therefore, providing adequate education about health-enhancing benefits of high potential products is the first step to create cognitive/knowledge for appropriate product choice. Then building enough awareness of why and how to consume to motivate the needed consumption. Next offering good experiences in functional drink purchase and consumption with effective marketing communications and services to stimulate buying decision, continued repurchase including favorable word of mouth. Since this product is rather new to Thai market, most consumers do need much more educated and reliable information aligning with the guaranteed product quality certified by FDA, good taste and nice packaging. *As such, positive product experience becomes the most crucial driver to faster catch up the huge potential market of functional drink.*

Conclusions, Implications and Recommendations

1. Conclusions

This paper provides *a major contribution* to advance the understanding of modern consumers' buying behavior of functional drink through the *integrated different dimensions* of relevant marketing mix, demographics and attitudes. It also broadens the ideas of how to *utilize the mixed methods* between qualitative and quantitative research leading to get a better measurement and *more conclusive results*. *These are crucial base for proposing a more appropriate marketing strategy and feasible implementation*. The research findings support the high potential market of functional drink in Thailand as a developing country and indicate the key drivers influencing buying behavior of health-enhancing products. The results not only correspond to the previous studies but *provide some different behaviors between the Eastern and the Western consumers*. For instance, this study obtains a similar evidence revealing female and older is a major target. However, Thai women pay more attention to buy Beauty drink than the Western. **The study also reports more details of various dimensions of relevant factors by different behaviors and types of functional drink previous research never done before.** This additional insight information provides a *holistic view* and assists in identifying younger and high family income group as another major segment. Further, the study proposes appropriate marketing strategies concentrating on superiority and practicality driving to sustainable human well-being.

2. Managerial Implications

Successful in penetration of the high potential functional drink market, marketers need to develop and implement the differentiated strategies *emphasizing experience and education marketing consistent with the modern consumers' lifestyle*.

1) *Identify the appropriate market segment*. In the short-run, female aged ≥ 35 years old and medium family income should be the major target market; while in the long-run, the younger consumers and high income group should be the next focus segment.

2) *Create the favorable attitude toward the health-enhancing product*. First, provide adequate education to improve knowledge and understanding how to consume and buy functional food suitably by effective communication through TV, internet, publicity, free trial, and relevant reference groups' suggestion. Second, offering good experiences in functional drink purchase and consumption through better selecting superior convenience stores and supermarkets easier to access and able to provide free trials with good atmosphere, better services and other attractive sales promotion.

3) *Build reliable brand awareness and preference through high product quality* to ensure its added nutrition value or promised health benefits with good taste proved by FDA and high scientific research of well-known public health organizations.

4) *Develop up-to-date market information and good relationship* with the loyal customers, distributors, suppliers, governors, important reference groups in particular doctors and food experts including other important stakeholders to co-create superior value of functional drink and propose more effective marketing strategies to sustained advantages and growth opportunities driving to sustainable human well-being.

3. Recommendations for Future Research

First of all, multivariate analysis, such as factor analysis and regression should be explored if possible to find out the interrelationship among key relevant factors affecting functional drink behavior and get more insight information to propose a more promising marketing strategy. *Second*, more marketing theories should be examined. For instance, experience marketing is able to better explain the emotional behavior of Beauty drink and health consciousness of modern consumers. Holistic marketing is also suited for describing various stakeholders involvement, thorough investigation of the complex phenomena and sustainable development. *Third*, a larger sample size with representing population demographics should be conducted to generalize the results and have enough samples for sub-group analysis to broaden the managerial implications. *Fourth*, the results of qualitative research should be compared with those of quantitative method to obtain wider and deeper information, ensure validity and enhance more practical applications. *Finally*, other types of functional foods should be examined across different segments, countries, communities and inter-disciplines to either theory testing or theory building essential for driving to sustainable human quality of life and social well-fare.

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