

MARKETING STRATEGIES OF CROCODILE LEATHER PRODUCTS FROM THAILAND AMONG CHINESE CONSUMERS

กลยุทธ์ทางการตลาดของผลิตภัณฑ์หนังจระเข้จากประเทศไทยในกลุ่มผู้บริโภคชาวจีน

XIANG LI¹

Tanapoom Ativetin²

ABSTRACT

The Chinese luxury market has shown remarkable growth in recent years, driven by rising incomes and changing consumer preferences. Thai crocodile leather products represent a niche yet promising segment in this market, offering high-quality craftsmanship and unique appeal. However, little research has explored the factors influencing Chinese consumers' purchasing decisions in this category. This study aims to address this gap by examining the role of demographics, the 4Ps marketing mix (Product, Price, Place, Promotion), and brand perception in shaping purchasing decisions. A quantitative approach was applied, collecting data from 400 respondents through an online survey. Key findings revealed that product quality and price play the most significant roles, while promotion and distribution channels also influence purchasing decisions. Brand perception further enhances consumer confidence in the product. The results offer actionable insights for businesses to optimize their marketing strategies and strengthen their competitiveness in the luxury goods market.

Keywords: Thai Crocodile Leather, Consumer Decision, 4Ps, Brand Perception

INTRODUCTION

The luxury goods market in China has emerged as one of the largest and fastest-growing markets globally, with increasing consumer demand for unique and high-quality products. As Chinese consumers' disposable income rises, their purchasing behavior has shifted towards niche luxury products that reflect status, exclusivity, and personal taste. Thai crocodile leather products, known for their premium craftsmanship and symbolic value, have attracted attention within this growing market.

Despite the potential, there remains limited research on the factors influencing Chinese consumers' purchasing decisions for Thai crocodile leather goods. Previous studies have often focused on general luxury markets, neglecting this specific product segment. This gap creates an opportunity to explore how marketing strategies, including the 4Ps framework (Product, Price, Place, Promotion), influence consumer decisions.

¹Business Administration (Management) Master of Business Administration Program Srinakharinwirot

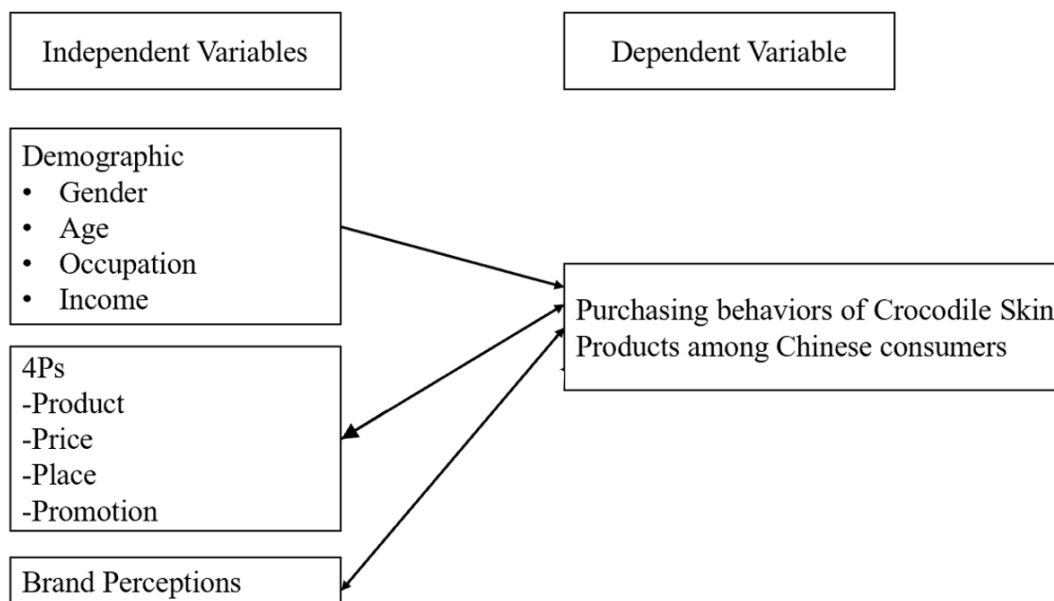
²University Assistant Professor Faculty of Business Administration for Society Srinakharinwirot university

Additionally, understanding demographic variations and the role of brand perception in purchasing decisions will help Thai businesses develop targeted marketing strategies to penetrate the Chinese market effectively.

This study provides an in-depth analysis of these factors, offering practical insights to businesses and contributing to the literature on niche luxury marketing.

RESEARCH OBJECTIVES

The primary objective of this study is to investigate the factors that influence Chinese consumers' purchasing decisions regarding Thai crocodile leather products.



Specific Objectives:

(1) To investigate the relationship of marketing strategies, including factors of products, pricing, places, and promotion, and brand awareness on the purchasing decisions of Chinese consumers towards Thai crocodile skin products. This objective aims to dissect how different marketing approaches, such as digital campaigns, influencer endorsements, and traditional advertising, influence consumer interest and buying behavior.

(2) To analyze differences among demographic factors, including gender, age, occupation, income, and purchasing decisions of crocodile skin products in Chinese consumers. This involves understanding how perceptions of quality, authenticity, and craftsmanship associated with Thai crocodile skin products shape consumer preferences and decisions.

RESEARCH HYPOTHESES

Based on the research objectives, the following hypotheses were developed to guide the analysis:

H1: There are significant differences among consumers between demographics including gender, age, occupation, income, and purchasing behaviors of crocodile skin products among Chinese consumers.

H2: There is a correlation between 4Ps marketing factors including product, price, place, promotion

and purchasing decisions of crocodile skin products among Chinese consumers.

H3: There is a correlation between brand perceptions and purchasing decisions of crocodile skin products among Chinese consumers.

LITERATURE REVIEW

The 4Ps Marketing Mix

The 4Ps framework is a widely accepted model for understanding marketing strategies and their impact on consumer decision-making (Kotler & Keller, 2016).

Product:

In luxury markets, product quality, exclusivity, and craftsmanship are critical factors influencing consumer choices. Consumers of high-end goods prioritize uniqueness, durability, and symbolic value, all of which enhance their purchasing decisions. Thai crocodile leather products align well with these expectations due to their high-quality materials and artisanal production processes (Kapferer & Bastien, 2012).

Price:

Price is a key indicator of perceived value in the luxury market. Higher prices often signal superior quality and exclusivity, which appeals to consumers seeking products that reflect status. However, pricing must be balanced with consumer expectations to ensure competitiveness in the market (Vigneron & Johnson, 1999).

Place:

Effective distribution strategies ensure that luxury products are accessible to target consumers through premium retail channels, online platforms, and exclusive stores. In China, luxury shoppers value convenience and prestige, making the selection of distribution channels an essential component of marketing strategies (Li et al., 2020).

Promotion:

Promotional activities, such as celebrity endorsements, participation in luxury exhibitions, and targeted advertising campaigns, play a significant role in building consumer awareness and trust. Social media platforms, in particular, have become powerful tools for reaching younger luxury consumers and shaping their perceptions of the brand (Godey et al., 2016).

Brand Perception

Brand perception refers to how consumers view a brand's image, reputation, and value. In the luxury market, strong brand perception fosters trust, enhances perceived quality, and motivates consumers to make purchasing decisions. Thai crocodile leather products can leverage their unique craftsmanship and premium quality to strengthen their brand perception, thereby gaining a competitive edge in the Chinese market (Heine & Phan, 2011).

RESEARCH METHODOLOGY

This study employs a quantitative research design to systematically examine the factors influencing Chinese consumers' purchasing decisions regarding Thai crocodile leather products. A quantitative approach allows for the collection and analysis of numerical data, providing statistically valid insights into consumer behavior and marketing influences.

Data Collection Method:

Data was collected through an online survey, distributed to Chinese consumers via social media platforms and consumer forums. The survey consisted of structured questions designed to gather information on demographics, the 4Ps marketing mix, brand perception, and purchasing decisions. Respondents were asked to provide their answers using a 5-point Likert scale, with options ranging from 1 (strongly disagree) to 5 (strongly agree).

Sample Size:

The study targeted a sample of 400 respondents, calculated using the Yamane formula at a 95% confidence level with a 5% margin of error. This sample size ensures the findings are representative of the larger population of Chinese luxury consumers.

Data Analysis Tools:

The collected data was analyzed using SPSS statistical software. Various statistical methods were applied, including:

Descriptive Statistics: To summarize demographic data and responses related to the 4Ps and brand perception.

Reliability and Validity Analysis: Cronbach's Alpha was used to test the internal consistency of the survey items, while KMO and Bartlett's tests confirmed the data's suitability for factor analysis.

Correlation Analysis: Pearson correlation was used to examine the relationships between marketing mix factors, brand perception, and purchasing decisions.

Regression Analysis: Multiple linear regression analysis determined the relative influence of independent variables (4Ps and brand perception) on purchasing decisions.

RESEARCH RESULTS

Descriptive Statistics:

The demographic profile of the respondents revealed the following:

Gender: 60% were female, while 40% were male.

Age: The majority of respondents were aged between 30–39 years.

Income: Most respondents reported mid-to-high income levels, indicating their ability to purchase luxury products.

For the 4Ps marketing mix:

	Product	Price	Place	Promotion	Brand Perception	Purchasing Decisions
Product	1	.238**	.161**	.292**	.324**	.347**
		0.000	0.001	0.000	0.000	0.000
Price		1	.212**	.129*	.332**	.267**
			0.000	0.010	0.000	0.000
Place			1	.266**	.311**	.247**
				0.000	0.000	0.000
Promotion				1	.367**	.326**
					0.000	0.000
Brand Perception					1	.343**
						0.000
Purchasing Decisions						1

Product and Price received the highest ratings, highlighting their importance in influencing purchasing decisions.

Place and Promotion also received positive responses, but their influence was relatively moderate.

Correlation Analysis:

Pearson correlation results showed significant positive relationships between the variables:

Product and purchasing decisions ($r = 0.347$, $p < 0.01$)

Brand perception and purchasing decisions ($r = 0.343$, $p < 0.01$)

These findings suggest that product quality and brand perception play strong roles in driving consumer decisions.

Regression Analysis:

	(b)	SE	t	Sig.
Constant	4.114	0.081	50.509	0.000
Product	0.056	0.013	4.272	0.000

Price	0.033	0.012	2.705	0.007
Place	0.029	0.014	2.038	0.042
Promotion	0.043	0.012	3.495	0.001
Brand Perception	0.033	0.012	2.727	0.007
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R=0.483	SE=0.13237			
$R^2=0.234$	Durbin-Watson=2.182			
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The regression results provided deeper insights into the influence of independent variables on purchasing decisions:

Product (b = 0.056, p < 0.01): Demonstrated the strongest impact, emphasizing the importance of product quality.

Price (b = 0.033, p < 0.01): Indicated a significant role, reflecting consumers' perception of value.

Place (b = 0.029, p < 0.05): Highlighted the importance of accessible and prestigious distribution channels.

Promotion (b = 0.043, p < 0.01): Showed that targeted promotional efforts can effectively influence purchasing decisions.

Brand Perception (b = 0.033, p < 0.01): Confirmed the value of a strong brand image in enhancing consumer confidence.

The regression analysis results validate the study's hypotheses, highlighting product quality, price, and brand perception as key drivers of purchasing decisions.

CONCLUSION AND DISCUSSION

This study examined the factors influencing Chinese consumers' purchasing decisions regarding Thai crocodile leather products, focusing on demographics, the 4Ps marketing mix, and brand perception. The findings revealed that product quality, price, and brand perception have the most significant positive impacts on purchasing decisions. Promotional strategies and distribution channels also contribute to influencing consumer behavior, albeit to a lesser extent.

Discussion:

Product: Consumers prioritize the craftsmanship and exclusivity of luxury products, making product quality a central factor. Thai crocodile leather brands should emphasize their superior materials and artisanal production techniques.

Price: Luxury pricing strategies reflect value and exclusivity. Brands must maintain premium pricing while ensuring perceived value aligns with consumer expectations.

Brand Perception: A strong, positive brand image enhances consumer confidence and motivates purchasing decisions.

The results underscore the importance of optimizing marketing strategies to appeal to Chinese luxury consumers.

RECOMMENDATIONS

Based on the study's findings, the following strategies are proposed to enhance the purchasing decisions of Chinese consumers regarding Thai crocodile leather products:

Enhancing Product Quality and Uniqueness:

Thai brands should continue to prioritize high product quality, focusing on superior craftsmanship, durable materials, and unique designs. Limited-edition products can be introduced to highlight exclusivity and attract affluent consumers seeking unique luxury items.

Strengthening Brand Perception:

Celebrity Endorsements: Collaborating with well-known celebrities can increase brand visibility and credibility among Chinese luxury consumers.

Luxury Events: Participation in high-end exhibitions, fashion shows, and collaborations with other luxury brands will help reinforce the premium image.

Social Media Engagement: Utilizing platforms like WeChat, Weibo, and Xiaohongshu for storytelling and brand promotion will engage younger, tech-savvy consumers.

Precision in Pricing Strategy:

Maintaining a premium pricing strategy is essential to sustain the brand's luxury image. However, Thai brands should balance exclusivity with value perception by emphasizing product quality and uniqueness in marketing campaigns.

Optimizing Distribution Channels:

Expanding presence in high-end retail locations and online luxury platforms will enhance product accessibility. Exclusive stores in luxury shopping malls or flagship stores in key cities can further boost brand prestige.

Targeted Promotional Campaigns:

Brands should design promotional strategies tailored to different demographic segments. For example, younger consumers might respond well to social media campaigns and influencer marketing, while older, affluent buyers may prefer personalized experiences and loyalty rewards.

By implementing these strategies, Thai crocodile leather brands can strengthen their position in the competitive luxury market and effectively meet the needs of Chinese consumers.

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