A BEHAVIORAL STUDY OF "GENERATION Y" LIVING IN BANGKOK WITH REGARDS TO MUSIC CONSUMPTION AND DIGITAL MEDIA PATH

Jita Wanitkanchai

Master of Communication Arts (Digital Marketing Communications)

Graduate School, Bangkok University.

Advisor: Dr. Chutima Kedsadayurat, Ph.D.

E-mail: jitawx@gmail.com

ABSTRACT

This research aimed to study the consumer behavior and factors that affecting decisions on music consumption behavior and digital media path in Generation Y living in Bangkok by researching from demographics factors, domestication theory and the AIDA Model (Customer Journey) in order to determine their consumption behavior and the digital media path. This research was carried out using the quantitative research methods using focus group interview to determine the consumer behavior and digital media path in order to design the survey. The surveys were then distributed online, completed by 220 sample size group between 16-35 years old. The data were analyzed by percentage, mean ,paired Sample t-test and multiple regression. The results of this research stated that there is a significant difference between past and present music consumption via CD/MP3, Thumb drive, YouTube, Joox, Apple Music and other music application. Whereas there is a significant difference between present and future music consumption via Radio, CD/MP3, Thumb drive, Joox, Apple Music and other music application. Additionally, customer journey drafted from the focused group is proven valid by 220 survey applicants, whereby all parts: Awareness, Interest, Desire and Action (Present music consumption behavior) shows a positive correlation towards one another in both upper and lower Generation Y.

KEYWORDS: Music Consumption Behavior, Digital Media Path, Customer Decision Journey

1. INTRODUCTION

With loss in physical sales and non-recoupable illegal downloads many artists and record labels were forced out of practice. By 2010, the music industry shrank by half, compared to a decade before. (Goldman, 2010) Despite persevered and collaborated efforts to adapt to the digital era, the income generated digitally was insufficient and had never exceeded that of diminishing physical sales. Thailand also experienced the rise of pirate music consumer in 2013 as shown in figure below.

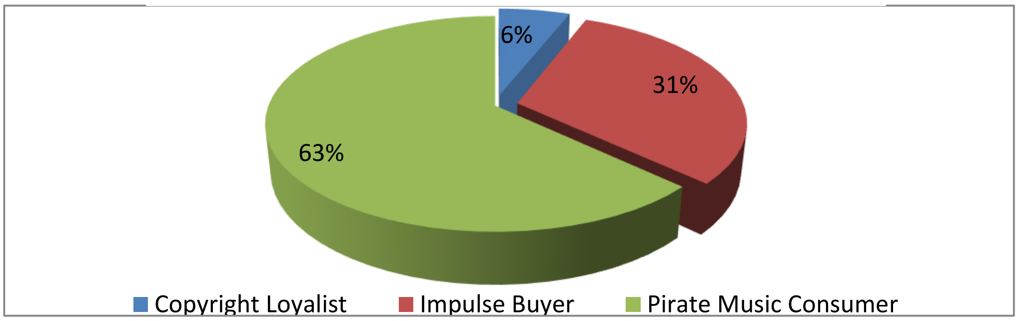


Figure 1: Proportion of music consumer (2005)

Source: (Pichaipat, 2010, p. 5)

It was only in early 2015 where the global music industry finally saw a surplus of digital revenue, netting 6.85 billion USD while physical netted 6.82 billion USD. (Vincent, 2015) Reports indicated that although download has more than 50 per cent contribution in the digital revenue, an increasing popularity in music streaming services was observed (International Federation of the Phonographic Industry, 2015). Nevertheless, there were limited studies on digital music consumption behavior of Thai users.

Over the years there have been several global brands, such as KKbox and Deezer, whom have entered Thai market. Last year (2014), YouTube launched its Thai office, officially recognizing Thailand as potential market in the global digital streaming service. (Pornwasin, 2014) YouTube Thailand has approximately 26.2 million users, resulting in more than 1,500 million monthly page views. (Vichienwanitchkul, 2015) Even the Line, one of the most use chat application, has stepped in the arena, offering paid subscription music streaming service: Line Music. Sources report that YouTube has its own platform ready for launch in Thailand as well.

Rate of population 6 years of age and over by listening to radio, age group: 1989, 1994, 2003 & 2008 (National Statistical Office, 2008)

1989	1994	2003	2008	Age group (years)
56.7	43.9	42.8	31.1	Total
41.9	31.4	26.1	12.7	6 - 14
69.4	56.8	57.5	37.1	15 - 24
59.6	45.0	45.0	34.6	25 - 29
42.6	31.3	30.7	28.3	60 & over

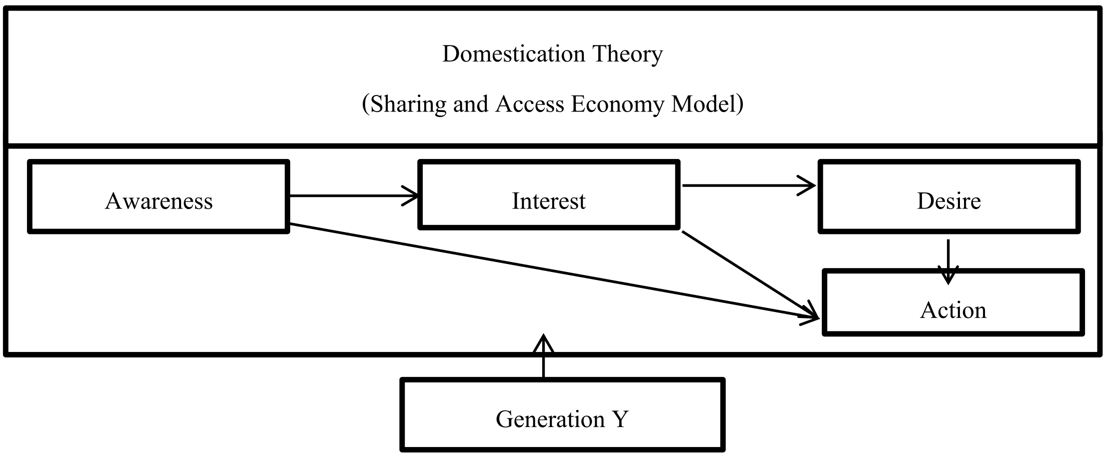
The table above shows a decline in percentage of radio listeners in Thailand. Twenty years ago, radio was more than half of the population's source of entertainment. However, over the years the crowd has reduced to merely a third of the population. This gives rise to the next assumption, if radio is still employed Thai main source of music consumption.

2. RESEARCH OBJECTIVES:

1) To study the behavioral change and trends in music consumption in digital media era of Generation Y, comparing the past, present and future.
2) To study the influence of digital media path (AIDA model) towards current behavior of Generation Y, upper and lower age tier.

3. CONCEPTUAL FRAMEWORK

Music Consumption of Generation Y



4. Methodology

4.1 Research Design

The research project is an exploratory research with focus group interview as it is conducted to clarify "A behavioral study of "Generation Y" living in Bangkok with regards to music consumption and digital media path".

4.2 Population and Sampling

The selected population for this research was Generation Y living in Bangkok, age ranges between 16 and 35 years old. Based on Taro Yamane formula, if the population size is more than 100,000 at confidence level of 0.95 and precision level of ±7%, the appropriate sample size should be 204. (Israel,1992)

Beside the Yamane formula, we have also conducted a simple survey among 4 sample groups of 4-5 people asking if they thought Generation Y in Bangkok consume their music mainly on digital platforms. The results below were then used to calculate the appropriate sample size.

4.3 Variables

H1: Past, Present and Future's music consumption behaviour via: Radio, CD/MP3, Thumbdrive, Pre-downloaded music into mobile phone, YouTube, Joox, Apple Music and other applications

H2: Present music consumption behavior, Awareness of new music, Interest in listening new music and Desire to listen to new music

4.4 Data collection

Data was collected using purposive sampling only Generation Y living in Bangkok. The survey was distributed via online channels within 2 weeks.

4.5 Data Analysis Plan

No	*Hypothesis*	*Statistical Design*
H1	From the past, to present and towards the future, there are differences in music consumption via digital media by Generation Y.	n = 220 Paired Sample T-Test (Repeat 2 times, compare past to present and present to future)
H2	Awareness, interest and desire has a positive impact on present music consumption behavior	n1 = 110 n2 = 110 Multiple Regression (Awareness to Interest - simple regression Interest to Desire - simple regression Desire to Present - simple regression)

5. Conclusion

1) According to the research Generation Y living in Bangkok has most definitely moved towards digital consumption. There was a change in music consumption behavior among participants in the past compared to the present. There was a shift in Radio, CD/MP3, Thumb drive, YouTube, Joox, Apple Music and other music application consumption. Mainly because in the past Joox, Apple Music and other music application were yet to be developed and main publicly available. While pre-downloaded music saved in mobile phone has no change in behavior.

2) Participants also perceived that there will be another change in music consumption behavior via Radio, CD/MP3, Thumb drive, Joox, Apple Music and other music application. However, participants also expect music consumption via pre-downloaded music in mobile phones and YouTube to remain the same.

3) Even though 96.7% of participants agreed that music is valuable, only 57.6% of participants felt that consumer should have to pay for its consumption.

4) There were positive correlations amongst each stage of Customer Journey pre-identified by the focused group, for both age groups. In which, when a subject experiences a stronger degree of awareness will positively influence subject's interest as well; similarly for interest towards desire, desire towards action, and each stages towards action. Proving that the Customer Journey sketched from the focus group interview is indeed valid.

6. DISCUSSION

From the research findings we can safely concluded that Generation Y living in Bangkok has most definitely moved towards the digital consumption era and moving onto the sharing economy.

In the past, most participants consumed their music mainly from Radio, followed by CD/MP3. Whereby, presently participants strongly identify YouTube as their main source of music consumption; and a sharp decline in consumption via CD/MP3. There was a visible increase in participants using Joox, Apple Music and other mobile application in the present; however, it was still minimal compared to that of YouTube.

Customer journey drafted from the focused group is proven valid by 220 survey applicants, whereby all parts: Awareness, Interest, Desire and Action (Present music consumption behavior) showed a positive correlation towards one another in both upper and lower Generation Y.

YouTube was identified as the main source of music discovery, followed by Facebook. Music application is least identified a source of music discovery, followed by radio. Most participants also ranked Artist's name or pseudo name as the strongest factor influencing their interest in a new musical piece, followed by musical piece with available video for view. Artist's name or pseudo name was also ranked as the strongest factor influencing participants desire to listen to a new musical piece. Number of Facebook comment was one of the factor most participants least identify as a factor that influences their desire to listen to a musical piece, followed by number of YouTube comments. However, although at a lower rate than that of Artist's name and pseudo name, number of YouTube view and chart ranking within a music application are strongly identify as influencing factors of their desire to listen to a musical piece.

7. SUGGESTIONS

7.1 Suggestion for application of research

1) Record labels and Artists should seriously consider various digital platforms as a new distribution channel for each stages of audiences' journey (Customer Journey). As the traditional platforms, such as radio and CD/MP3, are losing their popularity, digital platforms are gaining more users. Current users even perceived that there will be prolonged use within the next 5 years. Industry players should keep a sharp eye on possibly disrupting alternative for music consumptions.

2) Additionally, it is prudent that the private sector take note of the percentage of participants willing to pay for music consumption presently. Further study and analysis may be required in order to investigate feasibility of B2C (business-to-consumer) model of the industry in Thailand; alternatively, an extended study may be able to identify the solution or substitute source of monetization.

3) Furthermore, industry players should also take note the importance of accompanying media such as videos, graphics and descriptive text. As these media, especially video, are associated as fairly strong influencing factor of target audiences' interest in a new musical piece beside Artist's name or pseudo name. This would give less well known artists and new comer a more competitive edge in their marketing plans in order to promote their musical work.

4) YouTube view and Facebook likes should be prioritize over comments of both platforms.

5) Music application may consider developing and creating an impactful, value-added exposure of its charts within its applications. As a significant number of participants viewed music application charts as one of the strong influencing factor that effect their desire to listen to a musical piece.

7.2 Suggestion for further studies

1) For future research and studies, researchers should consider other age groups and a larger sample size. It would be prudent to study the perspective of the new generations and those of older generations as well.

2) This research is conducted mainly on quantitative analysis, pre-scoped by a focus group interview session with 6 participants of Generation Y in proportionate number of each gender. Future research should consider conducting the research based on a qualitative analysis as well, such as in-depth interview. In order to better understand the target groups and identify their behavioral insights.

8. ACKNOWLEDGEMENT

First of all, I would like to gratitude to my advisor sincerely, Dr. Chutima Kedsadayurat for supporting the inception and the process that led to the results of this research, for her patience with me. The assistance and guidance of my advisor was essential to the completion of this Independent Study.

Besides my advisor, I also would like to thank all lecturers of Digital Marketing Communications for the knowledge they have bequeathed, and the encouragement they have given me.

I sincerely thank all participants who dedicated their time to answer and complete the questionnaire. This Independent Study will not have been possible without their enthusiastic responses.

Thank you to my classmates, my friends, who accompanied me while we walked down our respective paths, and for the suggestions and opinions which they offered.

Finally, I would like to dedicate this document to my family, who has been an undeniable pillar of support throughout the years.

9. BIBLIOGRAPHY

Goldman, D. (2010, February 3). *CNN Money*. (Cable News Network. A Time Warner Company) Retrieved October 3, 2015, from http://money.cnn.com/2010/02/02/news/companies/napster_music_industry/

International Federation of the Phonographic Industry. (2015, April 14). *IFPI publishes Digital Music Report 2015*. Retrieved October 3, 2015, from http://www.ifpi.org/news/Global-digital-music-revenues-match-physical-format-sales-for-first-time

Israel, G. D. (1992). Retrieved October 5, 2016, from Suranaree University of Technology: http://www.sut.ac.th/im/data/read6.pdf

National Statistical Office. (2008). *The Mass Media Survey:1989, 1994, 2003 and 2008.* Ministry of Information and Communication Technology. National Statistical Office.

Pichaipat, N. (2010). *The Adapting Paradigm of The Thai Music Industry.* Retrieved October 27, 2016, from Thammsat University Libraries: http://digi.library.tu.ac.th/thesis/it/0773/02chapter1.pdf

Pornwasin, A. (20 May, 2014). *YouTube Thailand officially launched*. (The Nation Group (Thailand)) Retrieved 3 October, 2015, from http://www.nationmultimedia.com/business/YouTube-Thailand-officially-launched-30233975.html

Vichienwanitchkul, M. (2015, January 13). *Online Marketing Thailand: The State of Social Media*. (Syndacast) Retrieved October 3, 2015, from http://syndacast.com/infographic-online-marketing-thailand-the-state-of-social-media/

Vincent, J. (2015, April 15). *The Verge*. Retrieved October 3, 2015, from http://www.theverge.com/2015/4/15/8419567/digital-physical-music-sales-overtake-globally