



Factors Influencing Consumer behavior in Purchasing Mooncakes in Ho Chi Minh City, Vietnam

Thi Truc Mai Doan ^{a*}

^a *The Joint Stock Company for Trade and Health Services Han Viet, Ho Chi Minh City 700000, Vietnam*

ABSTRACT:

This study proposes and verifies a model of factors influencing consumer purchasing behavior in Ho Chi Minh City with regard to mooncakes. A survey of 493 consumers in Ho Chi Minh City was conducted, and the results revealed five factors that affect mooncake purchasing behavior. These factors include brand reputation, perceived quality, price, promotions, and subjective norms. Based on the study's findings, the article suggests solutions to promote mooncake purchasing behavior, thereby enhancing the competitiveness of businesses.

Keywords: Mooncakes, purchasing behavior, competitiveness, Ho Chi Minh city.

1. Introduction:

The mooncake industry in Vietnam has flourished and become an integral part of the nation's culture and economy. With its long-standing origins, mooncakes were initially a traditional delicacy associated with the Mid-Autumn Festival, symbolizing reunion and familial bonds. Today, the mooncake industry not only meets domestic demand but has also expanded to international markets. In addition to traditional mooncakes like baked and sticky rice mooncakes, the market has seen the emergence of premium mooncakes made with natural ingredients, reduced sugar, and even specialized options for vegetarians or those on specific diets. The harmonious blend of tradition and modernity has driven the continuous development of Vietnam's mooncake industry. Currently, there is significant competition in the mooncake sector between domestic and international enterprises. Although import tariffs on confectionery from ASEAN countries into Vietnam have dropped to 0%, domestically produced mooncakes continue to dominate the market, accounting for over 90% of the nation's total mooncake sales. In this context, major manufacturers have consistently innovated in both flavors and designs to attract modern consumers. The expansion of these brands has increased their market share, narrowing the market for handcrafted and traditional mooncake brands. Thus, it is essential to study the factors influencing consumer behavior in purchasing mooncakes in Ho Chi Minh City. Based on these findings, solutions can be proposed to enhance the competitiveness of mooncake brands.

Consumer purchasing behavior is essentially a response to a problem. Consumer decision-making involves the provision of products and services and can be defined as a process of gathering and processing information, evaluating it, and selecting the best possible option to address the problem or make a purchase decision. Although decision-making is defined as the selection of alternatives to solve a problem, the time and effort required to complete this process vary depending on the purchasing situations (Ajzen & Driver, 1992). Based on a synthesis of previous studies by Ngo (2013) and Nguyen (2021), particularly the theories of Reasoned Action, Philip Kotler's Behavioral Model, and McCarthy's 4P Theory (1981), we propose a research model to examine the factors influencing consumer behavior in purchasing mooncake products. The model includes six independent variables: (1) Brand Reputation, (2) Product Quality, (3) Distribution, (4) Price, (5) Promotion Activities, and (6) Subjective Norms, with the dependent variable being Consumer Purchasing Behavior.

Brand reputation refers to the overall perception that the public holds about a company or brand. It is shaped by various factors, including the company's products or services, customer service, marketing activities, and social media presence. A positive brand reputation can lead to increased revenue, customer loyalty, and investor confidence. In this context, consumer experience plays a critical role in shaping their trust in the brand, as it creates associations, evaluations, and interpretations based on solid and practical foundations (Aquinia & Soliha, 2020). In Vietnam, several mooncake businesses, such as Mondelez Kinh Do and Nhu Lan, are highly renowned and consistently trusted by consumers. As a result, customers tend to purchase products from these well-known brands because they have confidence in their reliability and quality.

Perceived quality refers to customers' evaluation of the overall excellence or superiority of a product's performance, differing from objective quality and linked to customer perceptions (Aaker, 1991). In this context, perceived quality is a subjective and relative concept, whose value and scope can vary depending on the audience and product type. Moreover, since customers often cannot fully and accurately assess the quality of products provided by manufacturers, perceived quality becomes a critical factor in their purchasing decisions (Nguyen & Nguyen, 2002). Mooncakes, as a food product that directly affects consumer health, highlight the importance of perceived product quality in influencing consumers' future purchasing tendencies.

Price is a measure of the exchange value perceived by buyers for the value offered by sellers; it is also defined as the monetary cost required to obtain something (Kotler & Keller, 2012). For the majority of Vietnamese consumers, price remains a crucial factor influencing purchasing behavior. Price reflects customers' perception of what they must sacrifice compared to the benefits they receive (Zeithaml, 1988). Customers evaluate price from two perspectives: first, the total financial cost incurred to acquire the product/service, and second, the opportunity cost they must forgo to obtain it. However, in practice, customers may not always accurately assess opportunity costs, as their evaluation is often based on personal experience (Zeithaml, 1988). In this study, the price component is measured through customers' perceptions of various aspects, such as the competitiveness of the product price, its reasonableness relative to product quality, and their satisfaction with the pricing.

Distribution represents the "place" component of marketing and involves selecting one or more marketing channels to manage the movement of products from the manufacturer to the consumer or end user. Distribution ensures that consumers receive the products and services they need at the desired location, time, and variety. An efficient distribution system enhances a company's profitability by making it easier for consumers to find and access the company's products at retail outlets. This increases product selection and competitiveness, especially when consumers perceive other factors similarly across products (Kotler & Keller, 2012). Safety is a top priority for consumers, particularly in protecting their health and their families. As a result, they tend to purchase products distributed through reputable systems, such as supermarkets or branded food stores. Mooncakes are typically sold in a wide range of locations, including food stores, mobile stalls, and supermarkets, making these products easily accessible.

Sales promotions provide incentives to encourage purchasing and include consumer promotions, trade promotions, and promotions by businesses and sales forces (Moklyak et al., 2019). Sales promotion objectives are generally short-term tactical goals and encompass various techniques that organizations can employ as part of their overall marketing efforts. In the mooncake industry, promotional activities are not significantly different from other sectors. Promotions must persuade and stimulate customer interest, fostering a positive attitude toward the program and goodwill when comparing one company or product to another under similar conditions. Research by Nguyen Dinh Tho and Nguyen Thi Mai Trang (2002) reveals that consumer attitudes toward promotions influence their consumption tendencies. When there is demand, consumers are highly likely to choose brands offering attractive promotional programs.

Subjective norms are defined as "an individual's perception that important people to them believe the behavior in question should be performed" (Ha et al., 2021). Subjective norms represent a person's feelings about the social pressure they perceive regarding a specific behavior. According to the Theory of Reasoned Action, individuals hold certain beliefs or normative beliefs about whether a behavior is acceptable. These beliefs shape a person's perception of the behavior and determine their intention to engage in it (Yulianita, 2018). For instance, Vietnamese consumers living in communities that encourage the purchase of traditional or nationally branded products are more likely to buy those products. Subjective norms also take into account individuals' motivations to conform to the views and perceptions of social groups, which may vary depending on the context and personal motivations. Various studies have highlighted a positive and significant relationship between subjective norms and purchase intentions (Ajzen & Driver, 1992; Yulianita, 2018).

2. Methodology:

2.1. Research design

The study uses a closed-ended questionnaire with two main sections:

- Section 1: surveys information about the respondents.
- Section 2: surveys the respondents' perceptions of the factors influencing their purchasing behavior, using a 5-point Likert scale.

2.2. Research hypotheses and variables

Through a literature review combined with the author's observations based on empirical data from the mooncake market in Ho Chi Minh City, we have proposed six factors influencing consumer purchasing behavior for mooncakes in Ho Chi Minh City. Specifically, 27 observed variables are used to measure six independent variables, and three observed variables are used to measure the dependent variable. These factors include: brand reputation (BR) - 4 observed variables; perceived quality (PQ) - 5 observed variables; perceived price (PP) - 4 observed variables; distribution density (DD) - 5 observed variables; promotion (PR) - 5 observed variables; subjective norms (SN) - 4 observed variables. The purchasing behavior (PB) variable is measured using 3 observed variables. All observed variables are adapted and adjusted from studies by Dan and Ngoc (2023), Minh and Ly (2016), and Phuong (2013). This study proposes six hypotheses (H1, H2, H3, H4, H5, and H6) to identify the relationships between various factors and consumer purchasing behavior for mooncake products:

- H1: Consumer brand reputation is positively correlated with mooncake purchasing behavior.
- H2: Consumer-perceived quality is positively correlated with mooncake purchasing behavior.
- H3: Consumer-perceived price is positively correlated with mooncake purchasing behavior.
- H4: Distribution density is positively correlated with mooncake purchasing behavior.
- H5: Investment in promotions is positively correlated with mooncake purchasing behavior.

- H6: Subjective norms have a significant relationship with consumer purchasing behavior.

2.3. Data collection

In this current study, there are 30 observed variables. According to Hair et al. (2010), the minimum sample size should be five times the number of observed variables ($30 \times 5 = 150$). Given that a larger sample size increases the accuracy and generalizability of the results, the author conducted a survey of 550 consumers aged 15 and above in Ho Chi Minh City.

2.4. Data analysis techniques

The data collected through the questionnaire were cleaned and entered into SPSS 20.0 software for analysis.

3. Findings and Discussion:

The scale validation was conducted using Cronbach's Alpha coefficient and Exploratory Factor Analysis (EFA). The Cronbach's Alpha analysis results indicate that all 30 observed variables met the requirements (including 27 observed variables of 6 independent factors and 3 observed variables of the dependent factor). Exploratory Factor Analysis was performed using the Principal Component Analysis method with Varimax rotation to condense the observed variables into distinct factors. The results show a KMO coefficient of 0.899 ($0.5 < \text{KMO} < 1$), and the Bartlett's test of sphericity had a significance level of $\text{Sig.} = 0.000$, confirming the suitability of the factor analysis. The 30 observed variables were extracted into 7 factors with an Eigenvalue greater than 1, accounting for 68.141% of the variance. Therefore, the scale is acceptable, and the EFA results indicate no changes to the research model, which includes 6 independent variables and 1 dependent variable, to be used for multiple linear regression analysis.

Table 1: Model summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin - Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.739 ^a	.546	.541	.36008	.546	97.545	6	486	.000	1.859

a. Predictors: (Constant), BR, PQ, PP, DD, PR, SN

b. Dependent Variable: PB

The summary of the model results, presented in Table 1, shows that the adjusted R^2 coefficient is 0.541. This indicates that the multiple linear regression model is a good fit for the data, explaining 54.1% of the variation in the decision to purchase mooncake products based on the six identified factors. The remaining 45.9% is influenced by other factors not included in the model.

Multiple linear regression analysis of the relationship between factors influencing mooncake purchasing behavior was conducted using the Enter method. The results show that the relationships between perceived quality, perceived price, brand, and promotion with Y have a $\text{Sig. value} < 0.05$, indicating statistical significance. However, the relationship between distribution and Y has a Sig. value of 0.585 (> 0.05), suggesting it is not statistically significant with respect to Y.

Table 2: Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics		
	B	Std. Error				Tolerance	VIF	
		(Constant)	.017	.166		.101	.920	
1	BR	.107	.033	.119	3.258	.001	.698	1.433
	PQ	.231	.022	.358	10.705	.000	.834	1.199
	PP	.165	.027	.199	6.015	.000	.856	1.168
	DD	.016	.028	.021	.546	.585	.626	1.596
	PR	.238	.031	.296	7.611	.000	.619	1.615
	SN	.171	.022	.261	7.872	.000	.852	1.174

 a. Dependent Variable: PB

The analysis results in Table 2 indicate that 5 out of 6 proposed factors in the model influence consumer behavior in purchasing mooncakes in Ho Chi Minh City. These factors include brand reputation, perceived quality, perceived price, promotion, and subjective norms. Among these, perceived quality has the greatest influence (Beta = 0.358, Sig. = 0.000), while brand has the least influence (Beta = 0.119, Sig. = 0.001). Meanwhile, distribution does not affect consumer purchasing behavior (Sig. = 0.585 > 0.05). This can be explained by the fact that not only mooncakes but also most other products are now widely available everywhere, making product distribution density a given, and thus, it does not impact consumer behavior.

The study results support hypotheses H1, H2, H3, H5, and H6, while hypothesis H4 is rejected. These findings offer practical insights for Vietnamese mooncake businesses and other local or traditional brands. Based on the research results, several recommendations are proposed for mooncake businesses to enhance consumer purchase intentions and increase competitiveness in the industry as follows:

- Customers often cannot fully and accurately assess product quality. Thus, perceived quality is a fundamental factor consumers use to make purchasing decisions (Nguyen & Nguyen, 2002). Managers should implement product trial programs in high-traffic, high-revenue supermarkets to allow customers to experience the quality of their mooncakes. Through these activities, customers can sample the products' flavors and obtain comprehensive product information from marketing staff, thereby fostering perceived quality in consumers' minds.
- Managers should invest more in promotional activities, including sales promotions and advertising. For example, focus on image advertisements, PR articles, or news pieces in newspapers and magazines (both print and digital media), as well as promotional programs featured in supermarket catalogs—particularly the "Mid-Autumn Gift Box" program, which has high demand. Products with discounts ranging from 5% to 10% should be included in these gift sets, allowing customers to select from the curated options. Additionally, companies should deploy marketing staff to major supermarkets to directly introduce products to customers and encourage purchases. Collaborating with supermarkets and stores on product displays and brand imagery in promotional areas is also essential, as these locations are prioritized and attract the attention of most customers.
- Price is one of the factors influencing purchasing behavior. To compete on price, Vietnamese mooncake businesses should improve operational efficiency and reduce costs, thereby lowering product prices. Managers should also conduct market surveys and gather competitor pricing information to develop reasonable and competitive pricing policies. This approach ensures customer satisfaction when purchasing products.
- Descriptive statistics indicate that branding influences purchasing behavior. Therefore, to enhance brand value and increase brand recognition, businesses should not only improve product quality but also engage in advertising activities to increase visibility. At the same time, businesses should participate in social and community activities, which are considered highly effective in building brand equity today.
- Subjective norms significantly influence consumers' intention to purchase mooncakes in Ho Chi Minh City. This factor strongly reflects the identity and culture of consumers in the city, who tend to emphasize the origin and provenance of products. Therefore, this information should be thoroughly communicated during marketing efforts and clearly displayed on product packaging.

However, the research has some limitations, such as the use of convenience sampling, which restricts the generalizability of the study. Additionally, the study focuses solely on testing theoretical models through multiple linear regression. Future research directions may include:

- Using Structural Equation Modeling (SEM): This method could be employed to test hypotheses and simultaneously explore causal relationships between research concepts.
- Adopting Random Sampling (Probability Sampling): This approach could better evaluate the research model with market data, enhancing the robustness of the findings.

Conclusion:

This study has identified and examined the relationships between factors influencing consumers' behavior in purchasing mooncakes in Ho Chi Minh City. Through the analysis of the collected data, the research findings confirm that factors such as brand reputation, perceived quality, price perception, promotions, and subjective norms have a strong impact on consumers' purchasing decisions. Based on the research results, several recommendations have been made for mooncake businesses in Vietnam to enhance their competitiveness and boost sales, including strengthening brand promotion, improving product quality, intensifying promotional activities, and focusing on local cultural factors in marketing strategies. These actions will help businesses enhance their brand value, better meet consumer needs, and achieve sustainable development in the mooncake industry in Ho Chi Minh City.

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