Consumer Behavior Analysis with Fruit Group-Buying

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ABSTRACT

This paper proposes the consumer group-buying the domestic fruit. “Group-buying” is collective buying that buyers offered products and services at reducing prices with a minimum number of buyers to make the purchase. This research was established the conduction of survey upon the nation divided into four different geographical districts. The decisions making for consumer-association are based greatly upon “convenience,” “inexpensive price ranges,” “trust in quality standards,” and “consumption habits.” Other important purchase variables are “reliability” and “kindness and compassion” of sellers. This extensive research thoroughly analyzes the reasons behind the decision making of a consumer upon purchasing the emerging circuit’s expense patterns and the demands made regarding the group. It also provides the group with reason for purchase of businesses that develop entrustment upon marketing strategies, especially towards the emerging circuit.

Keywords: Group-buying; New channel; Consumers behavior; Consumers confidence

1. Introduction

Group-buying has triggered the association to indulge in the art of network socialization since transportation and sale circuits have been kept effectively on par with the vigorous industrial development in recent years. Group-buying is multiple buyers’ cooperation each other to buy a product with a discount price [14].

The purchase that the association indulges in is largely based upon the consumer statistics and gathering of relatives and friends, increasing the quantity of purchase effectively. The marketing strategy here calls for a mutual benefit, as a negotiation of price is established to the seller, reaching an agreement wherein both parties have reduced transaction costs. Before the power of the internet had been universally recognized, it was evident that it had been difficult for a consumer to collect the “foot” purchase quantity, due to the limits established by geographical environment, such as the lack of resources. However, as people begin to embrace the strength of

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the internet, it has proven to have broken time effectively and special constraints that were almost impossible to overlook before. Now, it is possible for consumers to gather resources in different areas of the world and increasing quantities of volume to be purchased easily. The buyers of the association purchase are allowed to take advantage of strengthening the seller's power of bargaining, obtaining a low price range for the product. However, with the population of the transaction, quantities of orders may increase, and thus, ultimately the price of the product drops. In this paper, it will find if it is not necessary for the buyers to purchase massive amounts in quantity with the wholesale prices of the commodity, and the sellers would reduce the cost of recruits from customers, both in turn mutually reducing transaction costs for both parties. This creates a solid example of a mutually beneficial business transaction between cooperating parties [4, 11].

The consumers are the key factor for the enterprise operating unceasingly, and the competitive success or failure is deep inquiry into a customer's demands and desires in the market. The interior adjustment enterprises have provided commodities and products and gathered benefits from the consumers' motivation on purchasing. Presently, a new marketing channel of development has been created. Group-buying for enterprises is instead of its traditional method of multi-level marketing distribution. This has evolved to a group-buying process, served on use of delivery by consumers in which they simplified and reduced the complication of the process towards the production and consumption of the entire transaction. The distribution pattern has now become very different from the past. Therefore, this paper will employ consumer decision-making behavior by strengthening their confidence; thorough analysis has been made for the new pathway that consumers will take for group-buying. It has also instigated several discussions that encourage the development of new marketing strategies.

This paper investigates group-buying characteristics of consumers, purchase decision models, consumer confidence, and consumer experience for the four dimensions. A questionnaire was conducted by the marketing group in order to further explore and understand the behavior of group-buying consumers to provide a basis for decision-making, and can use resources effectively to provide customers with the services that they need to meet consumer expectations and to create a competitive advantage for them. The paper is to understand group-buying customers and their behaviors and to analyze the expansion of the factors in the group-buying channels and sales strategies.

2. Literature review

Group-buying is defined by the demand of consumers, as prices rise accordingly to increasing demand. With a quantity discount model, it has gathered the two main elements together for the demand aggregation, as well as discounts in quantity (volume discounting) [1]. The process of group-buying is usually the same product
or service needs for consumers to form a coalition to a large amount of demand for manufacturers to conduct price negotiations, requests for discounts or other financial interests, such as gifts [12, 17]. The coalition formation for group-buying is payoff, as the synonymous with “utility” [2], and the numbers of group-buying consumers will increase their bargaining power [17].

Moorman et al. [15] had defined consumer confidence as the “trusted trading partners on their own wills,” and the establishment of trust that they have developed with each other have come from the employment of capacity, reliability, and integrity aspects of performance. Rousseau et al. [16] believed that trust is a psychological state, based on the intentions or behavior of others, positive expectations, which includes the intent to accept losses. Garbarino and Johnson [7] pointed out that trust is an important key in customer services and is provided by the organization’s quality of service as well as reliability of confidence. Berry [3] stated that trust is an acting component in trading, and is also the acting will of their dependence. Doney and Cannon [5] defined that “trust” is a trusted person on any targeted object [6, 10].

In this paper, the measure of consumer confidence adopted the definition proposed by Doney and Cannon [5]. Trust can be divided into two dimensions. The first dimension is the objective assessment of the degree of trustworthiness of trading partners, which is whether or not trading partners can depend on the extent and declaration. Mayer et al. [13] proposed that the ability, integrity, and benevolence are the factors of trustworthiness. To evaluate the trustworthiness level is based on the ability, integrity, and benevolence. The second dimension is the kindheartedness, which includes transactions that partners in good faith seek cooperation and consider the other benefits of mind. Furthermore, there will be no speculative trading behavior of objects that are produced. According to the intention of this paper, “trustworthiness” and “kindheartedness” are important in the measurement of confidence in variables.

The consumer behavior research has exposed in the public many years; therefore, the development of a variety in different models explains the reactions and mindsets of consumers from various angles. Kotler [9] stands outside marketing and environmental stimulation through the process of handling consumer “black boxes,” which follows up on a consumer’s purchase decisions. Because of personal characteristics and decision-making processes are different, the results in a conclusion contain differed reactions. Kotler’s consumer behavior pattern would be used for this paper. The process covers three factors, environmental aspects, individual, and psychological differences, shown as Figure 1.
3. Characteristics of group-buying behavior with decision-making

Based on the literature and data collecting, four dimensions, e.g., the group-buying characteristics of consumers, the purchasing decision models, consumer confidence, and consumer experience, shown as Figure 2, are analyzed for the group-buying consumer behavior. Demographic is one of the most straightforward bases for markets; it is also one of the most meaningful dimensions. The basic personal data and experimental analysis of each group-buying consumer are gender, age, education, occupation, and marriage. The consumer perceptions of “kindheartedness” and “trustworthiness” are in the consumer confidence. Six designed subjects were made in order to further understand the attitude behind the trust of consumers put upon group buyers. Based consumer decision-making would be the behavior of group-buying consumers through the analysis of the motivations behind their purchase, information sources, evaluation criteria, purchasing activities and the purchase. 15 post-assessment problems were asked the customers in which helped understand the behavior of consumers more thoroughly. To analyze the experience of group-buying consumers, the number of people who involved in group-buying and the purpose behind the purchase. The customers were inquired their purchase items, so that an analysis could be established on a group-buying’s consumption patterns.

Because the purchasing patterns of group-buying and traditional are different from the consumers; therefore, this paper got the lists of consumers who had experience of group-buying through the producers and the platform of group-buying; therefore, this paper bought the platform by the producer and the group-buying consumers. The paper used this name list to do the questionnaire survey. The paper

![Figure 1. Kotler [9] consumer behavior pattern.](image-url)
used the open type questionnaire to inquire buyers’ experience with or without group-buying in order to know what the consumers bought and consumption states that consumers have. In order to ask responders’ representation and the information integrity, the responders must provide their basic documents.

By questionnaire replying, the researchers know the group-buying consumers’ characteristics. The questionnaire was designed with basic personal information with different experiences of consumers, the remainder by 5 interval scales. The Likert scale measure had been the basis on the questionnaire design and the structure of the questionnaire was closed-type. The subjects regarding this paper are aimed at investigating groups of consumers in the past. The data survey was from June 1, 2009 through September 30, 2009, the country would be segregated to four areas -- northern, central, southern, and eastern parts. 1,200 samples, 300 questionnaires were distributed within each region, were sampling randomly without any adjustment. 482 were invalid and 718 were effectively answered. The effective rate was 59.83%.

In order to know more the consumers’ consumption characteristics, the factor analysis is used in this paper to analyze the consumers’ decision making. The factor analysis is based on several factors to explain related variables. Using mathematical methods to conduct the data reduction and data compiling to condensed many variables into a small number of factors and analyze the relation between the factors or find out the common constructs underlying statistical techniques. From the observed variables, factors can affect more than two observed variables and
these are not observable. Since the common factor is constructed from the observing variables, these observing variables should have interrelation between factors. Factor analysis is expanded from the component analysis that can provide new variables and interpretation on the original structure.

The factor analysis is an interdependence technique. The primary purpose for factor analysis is to define the underlying structure among the variables, and it is a tool for data reorganization and reduces the original observation variables into several fewer common latent variables or into compact indices.

\[(X_1, X_2, ..., X_K) \rightarrow \text{FA} \rightarrow (Y_1, Y_2, ..., Y_J), k = 1, 2, ..., K, j = 1, 2, ..., J, J < K\]

Here,
\(Y_1, Y_2, ..., Y_J\) are the common variables that proxy for original observations, \(X_k\), without losing too much information.

Principal component is fewer common factor and unique factor of the linear combination of variables constitute the individual acts \((X_k)\), known as the common factor model,

\[
\begin{bmatrix}
X_1 \\
X_2 \\
\vdots \\
X_K
\end{bmatrix}
= \begin{bmatrix}
f_{11} & \cdots & f_{1J} \\
f_{21} & \cdots & f_{2J} \\
\vdots & \ddots & \vdots \\
f_{K1} & \cdots & f_{KJ}
\end{bmatrix}
\begin{bmatrix}
Y_1 \\
Y_2 \\
\vdots \\
Y_J
\end{bmatrix}
+ \begin{bmatrix}
e_1 \\
e_2 \\
\vdots \\
e_K
\end{bmatrix}
= F y + e
\]

\((K*1) \quad (K*J) \quad (J*1) \quad (K*1)\)

Here, \(X\): behavioral variables vector, is \((K*1)\) matrix, contain \(K^{th}\) behavioral variables.

\(F\): factor pattern matrix, is \((K*J)\) matrix, including \((K*J)\) pattern loadings.

\(Y\): latent variable vector, is \((J*1)\) matrix, including \(J^{th}\) latent variables.

\(e\): specific factor vector, is \((K*1)\) matrix, including \(K^{th}\) specific variables.

To analyze the characteristics of consumers’ expenditure in fruit group-buying deeply, factor analysis is used in this research to analyze the consumers’ decision making and to cluster the customers’ in different groups based on their expenditure and provide marketing strategies for the fruit farmers.
4. Empirical results

4.1 Behavioral characteristics of the surveyed consumers

Recovery of the results in the questionnaires, the sample structure as follows:
(a) Distribution of residence. The object according to the place of residence in the questionnaire is divided into northern, southern, central, and eastern regions; 312 copies were established effectively.
(b) Gender analysis. Total of group-buying consumers that females are more than males, 67.3% and 32.7%, respectively.
(c) Age. The percentage of group-buying consumers are concentrated largely in the ages among 26-35, 42.1%, followed by the range of 36-45 years, 29.4%.
(d) Educational level. Upon post-secondary education, 71.3% were gathered, and followed by 17.1% who have only attained high school level.
(e) Average frequency of group-buying. Respondents that purchased 1-3 times per year resulted in 84.6%, whereas those who purchased 4-6 times resulted in 8.9%, and finally, those who purchased 10 times (or more) were rounded to 5.8%.
(f) Consumer groups. Consumers in consumer groups that belonged to companies with main accounts resulted in 48.9%, followed by those who established accounts with family and friends resulted in 38.9%.
(g) Group-buying fruit categories. Group-buying consumers who purchased grapefruit items is 83.23%, group-buying consumer usually purchased fruit as a gift.
(h) Reasons for purchase. Group-buying consumers who find it cheaper, 21.9%, importance of good quality, 20.1%, having been introduced to products by relatives and friends, 16.1%, saving procurement time, 14.3%, and convenience, 14.1%.
(i) Information sources. Group-buying consumer information sources that were introduced by relatives and friends, 36.9%, and those that were introduced by the network information introduction, 26.7%.

4.2 Reliability and validity analysis

The consumer aspect of the survey is divided into three parts: the first part is the basic information of consumers and the analysis of their individual purchasing experiences; the second part refers to the decisions made behind purchase, and as for the last part, it was based upon the trust that consumers put into group-buying. In this paper, Cronbach’s α value of 0.8609, and the consumer’s confidence in Cronbach’s α value of 0.8275 have safely met reliability standards. The consistency of the questionnaire had been proven solid and reliable.

The validity of the analysis in general is divided into content validity and construction validity. Content validity: the scale of this research department had
been compiled by various experts and scholars of literature and research findings in order for the scale to appropriately cover the needs of research topics. This was namely the representation of the content involved on scale, or according to the content in which has considerable relevance. Construction validity: Kerlinger [8] stresses on the validity of construction of measure; the view of scores and total coefficients between items (items to total) can be effectively established as long as the coefficient value is greater than 0.5. Composite reliability is greater than 0.7, and extraction variance must be greater than 0.5. Therefore, for this paper, it revealed that consumers have greater trust behind purchases with larger construction validity.

4.3 Consumers confidence in decision-making

In this paper, the statistical software of SPSS (Statistical Products and Servers Solution) was employed with factors analysis methods of principal component analysis. Principal component is to retrieve the factors of decision making behind consumer purchases, through the 17 items designed for this particular analysis. The eigenvalue, which is a variable greater than 1, is the standard, as it removes four factors as a reference. Referring to KMO (Kaiser-Meyer-Olkin) and the Bartlett ball test (a test of sphericity), both measures the appropriateness of testing the dimensions of factor analysis. If the KMO sampling meets the appropriate value which is greater than 0.7 or more, the Bartlett ball test P-value becomes close to 0, and can be carried out with factor analysis. In this paper, the KMO valued of dimensions of consumer purchases is 0.894, and the Bartlett ball test had accordingly gotten significant levels. The common factors existing in the correlation matrix for factor analysis showed as the Table 1 below.

The common factor extraction method is used four times more than the maximum shaft square method, and has obtained factors of original variables and correlation coefficients. With the structural matrix, the absolute value of all factors is greater than 0.40 in order to explore the common factors available, and in addition, the rotation method with the Kaiser normalization of the promax method. After computation has been employed, the cumulative explained variance is 60.10% originally.

<table>
<thead>
<tr>
<th>Table 1. KMO and Bartlett Ball Test.</th>
</tr>
</thead>
<tbody>
<tr>
<td>KMO (MSA)</td>
</tr>
<tr>
<td>Bartlett Ball Test</td>
</tr>
<tr>
<td>d.f.</td>
</tr>
<tr>
<td>P-value</td>
</tr>
</tbody>
</table>
The factors considered by consumers in purchasing decision analysis and the reliability are as shown in Table 2. When it comes to the dimensions of decision-making purchases in a total of 15 items, through extensive analysis of factors, four factors were ably extracted. The characteristic dimensions of each factor are greater than 1, and the total explained variance is 60.10%. The four aspects of reliability of Cronbach’s α analysis showed that its value is greater than 0.7, which indicates that it is reliable. The factor analysis model was named “convenience,” “good things inexpensively priced,” “quality trust,” and finally “spending habits.” The basis of the recommendation of Zaltman and Burger [18] states that as long as the eigenvalue is greater than 1, the factor loadings (factor coefficients) is greater than 0.30, and can explain more than 40% of variance, the factor analysis of results would be stable.

Table 2. Consumer purchase decision-making factors, reliability and validity analysis.

<table>
<thead>
<tr>
<th>Factors</th>
<th>Numbers and Items</th>
<th>Item to Total</th>
<th>Factor loading</th>
<th>Eigen-value</th>
<th>Explained covariance %</th>
<th>Cronbach’s α</th>
</tr>
</thead>
<tbody>
<tr>
<td>Factor 1</td>
<td>Introduce group-buying to friends</td>
<td>.521</td>
<td>.508</td>
<td>3.427</td>
<td>21.52</td>
<td>.8826</td>
</tr>
<tr>
<td></td>
<td>Beauty package</td>
<td>.258</td>
<td>.402</td>
<td>2.6325</td>
<td>36.47</td>
<td>.7956</td>
</tr>
<tr>
<td></td>
<td>Safe orders</td>
<td>.636</td>
<td>.712</td>
<td>.742</td>
<td>4.02</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Convenient options of payment</td>
<td>.656</td>
<td>.712</td>
<td>3.427</td>
<td>21.52</td>
<td>.8826</td>
</tr>
<tr>
<td></td>
<td>Rapid order</td>
<td>.655</td>
<td>.741</td>
<td>3.427</td>
<td>21.52</td>
<td>.8826</td>
</tr>
<tr>
<td></td>
<td>Group-buying is satisfied</td>
<td>.536</td>
<td>.590</td>
<td>2.021</td>
<td>50.36</td>
<td>.7012</td>
</tr>
<tr>
<td></td>
<td>Convenient and fast delivery services</td>
<td>.709</td>
<td>.716</td>
<td>2.021</td>
<td>50.36</td>
<td>.7012</td>
</tr>
<tr>
<td></td>
<td>Reply consumers’ complain immediately</td>
<td>.542</td>
<td>.502</td>
<td>2.021</td>
<td>50.36</td>
<td>.7012</td>
</tr>
<tr>
<td>Factor 2</td>
<td>Quality is good</td>
<td>.763</td>
<td>.786</td>
<td>2.6325</td>
<td>36.47</td>
<td>.7956</td>
</tr>
<tr>
<td></td>
<td>Price is lower than commercial price</td>
<td>.749</td>
<td>.798</td>
<td>2.6325</td>
<td>36.47</td>
<td>.7956</td>
</tr>
<tr>
<td>Factor 3</td>
<td>Get “sample” before buying</td>
<td>.701</td>
<td>.737</td>
<td>2.021</td>
<td>50.36</td>
<td>.7012</td>
</tr>
<tr>
<td></td>
<td>Because friends introduce</td>
<td>.700</td>
<td>.721</td>
<td>2.021</td>
<td>50.36</td>
<td>.7012</td>
</tr>
<tr>
<td>Factor 4</td>
<td>Consider Group-buying priority</td>
<td>.589</td>
<td>.701</td>
<td>1.326</td>
<td>62.13</td>
<td>.7218</td>
</tr>
<tr>
<td></td>
<td>Understand the quality of group-buying</td>
<td>.698</td>
<td>.805</td>
<td>1.326</td>
<td>62.13</td>
<td>.7218</td>
</tr>
<tr>
<td></td>
<td>Used to buy with the same group-buying dealer</td>
<td>.472</td>
<td>.564</td>
<td>1.326</td>
<td>62.13</td>
<td>.7218</td>
</tr>
</tbody>
</table>

Factor dimensions of convenience: the results showed that factor dimensions have a total of eight items, and its factor loading value is greater than 0.7 of the items. Safe orders, convenient options of payment, fast processing and delivery services needed to facilitate orders from customers, are amongst the four items in which address the main concerns of group-buying side-factors, which is ‘convenience.’ If the factor scores a higher dimension, the tendency in consumer convenience factor increases. In this paper, it is known as “convenience.”
Factor dimensions of thriftiness: a total of 2 factors, mainly for good quality and even lower prices than commercial prices, stress that the main reason why consumers purchase products is because of its solid quality yet inexpensive price range. If the dimension of the second factor is higher, the more consumers tend to be attracted to inexpensive price ranges. In this paper, it is known as “inexpensiveness/thriftiness.”

Factor dimensions of trust: a total of 2 factors as well, mainly for the purchasing and access towards products due to introductions established by relatives and friends. The main factor of trust is for the consumer in group-buying to access products based on suggestions made by relatives and friends. In this paper, it is known as “trust.”

Factor dimensions of spending habits: there are three factors that are based upon four items, which is mainly associated with the consumption habits of a consumer. The main factor of consumer spending habits is through the priorities obtained of a consumer, as well as quality and understanding of group-buying, which is associated with a fixed buy. In this paper, it is known as “spending habits.”

Upon the classification of the four factors in this paper is the following statistics: “explained variance” resulted in 21.52% as the largest percentage, followed by 14.95% of “inexpensiveness,” “trust” ranging to a total of 13.89%, and the last, “spending habits,” with 11.77%. It can be inferred that the “convenience” aspect of group-buying is one of the primary factors of the consumer. However, under the same conditions, the average consumer would be less accommodating on their consumption habits.

In this paper, the consumer confidence variables measured using the Likert five-point scale. From the Table 3, you will gather that the average and standard deviation of all variables is used to explain the distribution of all variables. Consumer confidence in the description of the Table 3 states that “trustworthiness,” 3.36, has the highest average; thus, it can conclude that “trustworthiness” is the most important factor behind consumer confidence.

To understand consumer purchase decisions, consumers of group buyers purchase a correlation between the usage of Pearson correlation analysis of variables and the dependent intercropping correlation analysis. Correlation coefficients ranged between 0 and 1, and if the correlation coefficient is higher, and if the relationships between values are closer, there is less correlation between variables.

The factors thought by consumer purchasing decisions, shown as Table 4, including “convenience,” “inexpensive price ranges,” “trust in quality” and “habits” for the intentions of group buyers, are significantly interlinked to P-value that tend towards 0. “Convenience,” “US Properties of Lian,” “trust in quality,” and “habits” will certainly affect the intentions of group-buying purchases. It is evidently that buying with convenience and buying US materials of good quality on an inexpensive price range may increase not only consumer confidence, but purchase as well.

Table 5 expresses the consumer's confidence in “trustworthiness” and “kindheartedness” for the reasons behind group-buying purchases. The P-value is set
to 0, and shows that both factors will affect a decision of a group-buying purchase. It is evidently that the more consumers puts trust in their chamber of commerce, the higher the possibility of intent to purchase by customers.

### 5. Conclusions and suggestions

The main purpose of this paper was to understand the characteristics behind the spending habits of a consumer. With a questionnaire distributed to potential consumers, it provided fruit group-buying businesses with marketing proposals. A body can be purchased by sellers to enhance bargaining powers which leads to a lot of beneficially lower prices. The buyer does not have the intention of buying unless

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**Table 3.** Description of analysis of customer confidence.

<table>
<thead>
<tr>
<th>Variables</th>
<th>Numbers and Items</th>
<th>Means</th>
<th>Standard Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Trustworthiness</strong></td>
<td>Group-buying dealer can offer trustworthiness information of products.</td>
<td>3.36</td>
<td>3.82</td>
</tr>
<tr>
<td></td>
<td>Group-buying dealer can offer trustworthiness payment service.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Group-buying dealer can offer trustworthiness trade platform.</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Kindheartedness</strong></td>
<td>Group-buying dealer can offer customization service.</td>
<td>3.02</td>
<td>4.89</td>
</tr>
<tr>
<td></td>
<td>Group-buying dealer won’t leak personal information.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Group-buying dealer can offer “after-sales service.”</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Table 4.** The willingness of group buyers’ purchasing intentions.

<table>
<thead>
<tr>
<th>Group buyers’ purchasing intentions</th>
<th>Correlation Coefficient</th>
<th>P-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Convenience</td>
<td>0.905</td>
<td>0.000</td>
</tr>
<tr>
<td>Inexpensive price ranges</td>
<td>0.872</td>
<td>0.000</td>
</tr>
<tr>
<td>Trust in quality</td>
<td>0.821</td>
<td>0.000</td>
</tr>
<tr>
<td>Habits</td>
<td>0.806</td>
<td>0.000</td>
</tr>
</tbody>
</table>

*P-value < .05 was considered to be statistically significant.*

**Table 5.** Correlation between consumer’s trust and intent to purchase.

<table>
<thead>
<tr>
<th>Group buyers’ purchasing intentions</th>
<th>Correlation coefficient</th>
<th>P-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trustworthiness</td>
<td>0.932</td>
<td>0.000</td>
</tr>
<tr>
<td>Kindheartedness</td>
<td>0.878</td>
<td>0.000</td>
</tr>
</tbody>
</table>

*P-value < .05 was considered to be statistically significant.*
items are sold at a better price than the market. When the seller is concerned, group-buying strategies help recruit customers. Therefore, it can conclude that costs of transactions can be effectively reduced, and has mutual benefits on both ends for buyers and sellers of marketing. The results of this paper can be applied by the following marketing managerial implications:

(a) Fruit group-buying strategies should emphasize on quality, safety, and must focus on production management and grading standards, providing customers with merchandise that are safe and of good quality.

(b) Fruit corporations attract customers by purchasing inexpensive products. It has been gathered that direct purchasing reduces spreading and the opportunity to earn profit amongst distributors. Customers usually want to buy products that are less than the fixed market prices set for these commodities, as group-buying are of reference standard. A fixed profit will ensue if proper marketing strategies are employed.

(c) When it comes to ordering, payment, processing and prompt delivery service, convenience plays an important role for customers. A convenient way of processing definitely attracts customers more; there should be various options available for a customer, such as a diversified portfolio, customer service hotlines, availability on credit card payments. Payments made within 24 hours of service will be most satisfying to customers.

(d) Customer satisfaction is difficult to guarantee, especially concerning the majority of physical products. Consumers should be provided with services for consultation, along with the availability of a 0800 customer service hotline; this increases customer satisfaction.

References


