

# **THE INFLUENCING EFFECT OF THE SERVICE MARKETING MIX (7PS) AND CUSTOMER SATISFACTION ON BRAND TRUST: HOTEL INDUSTRY IN THAILAND**

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## **ABSTRACT**

Thailand is one of the very famous tourist destinations for tourist around the world. Each year Thailand welcomes so many millions of tourists who visit the country and generate a lot of income for the nation. The hospitality industry is a very significant service sector, which included tourism, restaurant, hotel business, and other service businesses. These businesses are the main income of Thailand. The hotel business is the main business of the hospitality industry and it will be the area of study in this research. As the competition in the hotel industry in Thailand is very fierce then every hotel needs to provide the best service to satisfy their customers. The 2 factors between service marketing mix 7Ps and customer satisfaction were chosen to study and investigate the effect on customer brand trust. Data collection was done with the customers who stay at the hotel and use other services during their stay. The data was collected in 4 famous tourist destination cities in Thailand namely Bangkok, Chiang Mai, Pattaya, and Hua Hin. A sample of 435 customers participated in this research and the data was analyzed by using structural equation modeling (SEM). The conceptual framework was designed and presented in this study to explain the relevant factors on hotel customer brand trust. The result shows that both factors (service marketing mix and customer satisfaction) influence customer brand trust of the hotel that they chose to purchase and stayed but customer satisfaction has a higher level of influence than service marketing mix. However, both factors are very important for the hotel's performance, which owner and management need to seriously focus on and monitor to bring success to their business.

**Keywords:** Service Marketing Mix 7Ps, Customer Satisfaction, Brand Trust, Hotel Industry in Thailand

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## Introduction

Hotel industry is one of the very significant industries of Thailand and also other countries that promoted tourism as their main business and sort of the income of the country. According to information from the Ministry of Tourism and Sports presented that there were 39.9 million tourists visited Thailand in 2019 before it was dropping during the spreading of Covid 19 pandemic (Ministry of Tourism and Sports, 2021). While World Travel and Tourism Council (WTTC) (2021) reported that travel and tourism generated nearly USD 106.5 billion or 21% GDP for Thailand in 2019. Krungsri's research presented that Thailand has around 784,000 hotel rooms in 2019 and 1,800 hotels are located in Bangkok. The rest of the hotels are located in every part of the country, especially in the big and famous tourist attractions cities for example Phuket has the second highest number of hotels or Chiang Mai, Samui, Pattaya, Hua Hin, and so on. The service sector, become one of the very important industries of the world. Travelers and tourists around the world desire to visit a new place that they have never seen before. Nowadays, people traveling is very much easier than before because of the high technology such as the internet, mobile phone, GPS system, and so on. The security issue that most travelers were quite worried about in the past time was solved by new technology such as GPS systems or cameras in the mobile phone (Timothy, 2006). Event some events or crises sometimes could bring the negative effect on the hotel industry same as other businesses, for instance, Covid 19 pandemic, war, and economic crisis. Since 2019 when Covid 19 was spread in almost every part of the world including Thailand. The hotel industry in Thailand also received a huge negatively effected (Laparojkit & Suttipun, 2022). However, since the vaccine was invented and used, the situation is getting better and most of the hotels could open and run their business again.

In Thailand, there are many types of hotels for customers to choose from star until 5 stars hotels, lower-budget hotels, and other luxury accommodations. The legal hotels in Thailand are required to register as a member of the Thai Hotel Association and The Tourism Authority of Thailand (TAT), therefore the good standard policy could be investigated and controlled (Thai Hotel Association, 2022). In the new and modern world, where the majority of the world's population always uses social media and mobile phones everywhere and almost every time. The information and news of event complaints are spreading so fast. Sometimes just one negative news could destroy some business. The hotel industry is also one of the sensitive businesses which deal with the expectation and desires of their customers. If the service of the hotel could meet the needs, requirements, and desires of their customer, those customers tend to give great feedback to the hotel. They will try to come back to stay again and maybe they will help to promote the hotel to their family, friends, and other people that they meet. This positive word of mouth about your hotels is one of the best marketing as hotel could perform. It could increase the motivation and influence of new customers to come to the hotel and enlarge the performance of the hotel.

For these reasons, hotel owner needs to be aware and put their effort to provide great service to their customers. However, there are quite a few studies in the literature and other academics about

the effect of service marketing mix strategy (7Ps) and customer satisfaction to brand trust especially the brand trust of the hotel in Thailand and this will be the area of this study.

### **Research Objective and Research Question**

The main objective of this research is to find the effect and influence of service marketing mix 7Ps (product, price, place, promotion, people, process, and physical evidence) and customer satisfaction on the brand loyalty of hotel customers in Thailand. As both factors, service marketing mix 7Ps, and customer satisfaction could influence the level of brand trust but they mostly be independently separated, then this research aims to find the different effect levels between these factors. In this research, the effect of service marketing mix 7Ps and customer satisfaction will be tested and perceive their effect that leads to the brand trust. The structural equation modeling (SEM) will be used to analyze the data. Finally, the relationship of each variable will be presented in the conceptual framework according to the topic.

### **Literature Review and Theoretical Background**

There are many researches that studied the effect of marketing mix strategy and the satisfaction of customers which influence brand trust among their customers (Pourdehghan, 2015; Lee, 2019). As these 2 factors are playing an important role to increase the trust of the brand which could lead to and enhance opportunities for success in their business. As mentioned earlier the service sectors are the intangible products that customers evaluate their satisfaction and trust by using their emotions and expectation but the good quality of service could be one of the keys to success that induce customers to meet their needs and anticipations (Schönsleben, 2019). The good service marketing mix strategy (7Ps) could be able to help the company to provide a great service via their seven elements and stimulate the trust of their customers while the satisfaction of their good services could also arouse customers to trust their service (Lee, 2019).

#### **Service marketing Mix 7Ps**

Kotler (1972) defined marketing as the activities or tasks of producing creating, and offering value to serve the needs and desires of their target customers. Originally, marketing studied was found as a branch of applied economics but later on, it become to be a principle of management in order to help the company to increase its sales and performance. The American Marketing Association (AMA) has defined marketing as “the activity, set of institutions and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and also the society at large.” This association also defined the definition of marketing research as “the systematic gathering, recording and analyzing of data about problems relating to the marketing of goods and services” (American Marketing Association, 2017).

The concept of marketing mix occurred during 1964 by McCarthy, and since then the marketing mix became one of the core concepts of marketing theory. Originally, the marketing mix by

McCarthy (1964) consists of 4 factors (product, price, place, and promotion). After the marketing mix strategy 4P has been used for a while, some authors found that only using 4P might not be enough for the service sector because service is an intangible product that customers can not see or touch what they have purchased. To solve this problem and increase the potential of the marketing mix, Booms and Bitner presented their new framework which expands the marketing mix to be 7Ps by adding another 3 factors namely people (or participant), process, and physical evidence (Booms & Bitner, 1981). This marketing mix 7Ps become the widespread marketing concept in the service industry (Somocor, 2017).

**Product:** Davies and Brush (1997) defined product as all necessary elements that the company needed to do their service which generate value for their target customers. Mostaani (2005) proposed the product as one of the important elements in the marketing mix which corporate with other elements in order to satisfy their customers and could help to increase the sale of the company (Jain, 2013). Lewis and Chambers, (2000) added their opinion of products in the service sector, especially in the hospitality, tourism, and hotel industry are perceived as high-risk purchasing as the customer comes with high expectations and makes a decision on their emotion. Loo and Leung (2018) studied the service failure of hotel service in Taiwan and mentioned that products in the service sector defined the product of hotel as facilities and amenities available in the hotel rooms including breakfast which customers already paid for. This research product will focus on both tangible and intangible objects in the hotel area such as hotel building, guest room, facilities, and amenities inside and outside the guest room, including the service that the hotel offer to their customer during their stay.

**Price:** This is the second factor that also plays an important role in the marketing mix model and it is identical or equivalent to the amount of money that customers need to purchase in order to receive the products and services that they desire (Somocor, 2017). Loo and Leung (2018) included monetary cost and time that customers spent during using the service as a price factor. Teng, Wu and Chou (2020) studied the price and convenience to book the 5 stars hotel in Taiwan and suggested that price is the amount that customers pay for their goods and services. They found that the lower and more sincere price that the hotel reveals to the customers will have an important effect on the customer's satisfaction and it could stimulate the intention to purchase and return to the hotel. In this study, the price will refer to the amount of money including other monetary costs that customers have to pay to receive the good service they expect before purchasing.

**Promotion:** According to the original marketing mix 4P from McCarthy, promotion is the last factor and it is the factor that helps to stimulate the customer's intention to purchase products and services (McCarthy, 1964). Khan (2014) stated that promotion for marketing mix is the marketing communication that companies use to communicate with their customer via several channels such as personal selling, advertising, public relation, sponsorship, sale promotion, or direct sale, in order to promote their products and services. Magatef (2015) found that good promotions have the strongest effect on customer satisfaction. Matura, Mbaiwa and Mago (2021) studied the service marketing mix of the tourism industry in Zimbabwe and mentioned promotion as a method that a company attempted

to pursue and remind the customer about products, services including the brand that they sell, and the promotion will be successful via promotion mix. For this research, promotion refers to the marketing channels that companies use to communicate with their customer via several promotion mix channels in order to promote and stimulate the intention to purchase from their target customers.

**Place:** The word “place” is counted as the fourth “P” factor in the marketing mix by focusing on the geographical location in that the company is situated (Somocor, 2017). Widyastuti, Pujiharto, Tubastuvi and Santoso (2020) presented that place and location are the same things and a well location means a place that accessible and convenient to visit, which good location plays a significant role in the enjoyment of their customers. Kotler and Gertner, (2007) added place is the activities in which a company transfer its products and service to the customers to meet their need and help to enhance business opportunity. In the normal product-centric company, the word place could refer to the distribution of goods to their customers via different channels. However, the place or distribution in the service sector such as the hotel industry could refer to the process of bringing service to the customers (Anh, 2019). In this research, place is referred to as the good and convenient location that the hotel is located and it must be easy for the customer to reach and travel, simultaneously it is also easy for the hotel to provide and proceed with their great services to the customers.

**People:** In the service marketing mix, people means the employee who is involved in service production, which requires direct communication and interaction with the customers (Magatef, 2015; Lovelock & Wirtz, 2007). Loo and Leung, (2018) added that people are also included in the attitude and skills of the employee. Booms and Bitner (1981) called people a participant. Magatef, (2015) studied a hotel in Jordan and mentioned that the success of service products for the hotel business depends on the quality and efficiency of workers who prove good service to the customers. Moreover, this factor become must more important factor to satisfy the customers for a higher star hotels and high-end customers group. Many authors that found the service quality of employee affect overall customer satisfaction with the hotels and it is very important for the owner to improve the quality of their staff for this issue (Choi & Chu, 2001; Mucai, Mbaeh, & Noor, 2013). In this research, people will refer to the quality and efficiency of hotel employees who are both, directly and indirectly, contact or interact with the customers in order to bring a great service to satisfy the target customers.

**Process:** This factor is the new and extended factor from the original marketing mix 4P which focuses on the directorial and routine functions of the service business (Salman, Tawfik, Samy, & Artal-Tur, 2017). The process is also including the area of service transfer procedures, mechanisms, and flow of activities to the customers (Ziethamel, Bitner, & Gremler, 2006). To create and maintain a good process for service factor, the company needs to provide effective process management and technology because having a good process means a good service could be provided and maintained before passing to the customers (Matura et al., 2021). Bisht, Belwal and Pande (2010) added about the process of service is not so different from the process of normal products. However, in the service

business, the process would be embarked on before customers arrive by making a reservation until the time that they use the service and this process will last until after service to check with the customers to receive a good service as they expected (Magatef, 2015). In this research, a process referred to the directorial and routine functions of the service company, which are controlled by effective management and technology to be sure that every procedure, mechanisms and activities are flown efficiently to the customers.

**Physical Evidence:** Since 1981, Booms and Bitner suggested about the physical evidence in the service marketing mix is the environment where the company delivers its service and interacts with the customers including any other tangible components which facilitate the performance and communication of the services (Booms & Bitner, 1981). The physical evidence referred to the external environment or sometimes called the service environment (Teng et al., 2020). Mucai et al., (2013) studied the service marketing mix 7Ps of the hotel in Kenya and stated that physical evidence is the implicit factors comparing with other factors in 7Ps. Xie (2020) has done his research on the budget hotel in Bangkok suggested that the physical evidence of the hotel are the hotel facilities, the hall decoration, the front desk staff personality, the decoration of the guest room, and etc. Chow (2018) added privacy protection to the physical evidence because this is one of the important factors that customers concern about before deciding to book and stay at the hotel (Teng et al., 2020). For this research, the physical evidence refers to the external environment and appearance of the hotel, which the customer could see and perceive when they visit the hotel.

### **Customer Satisfaction**

Customer satisfaction in the service sector is one of the top priorities that owners and managers need to concern (Rao & Sahu, 2013). It is the results and experiences that customers received after the company delivered their service. Customer satisfaction could have occurred in every state of service such as before, during, or after the customer received, used, or took the services (Day, 1977). Nowadays, the service sector or service market plays an important role than other businesses in the world market (Asian Development Outlook, 2007). Choi and Chu, (2001) stated that if the company could satisfy their customer well, then there is more opportunity for these customers to return and use the service again in the future. For hotel business, the satisfied customer tends to return to stay at the same hotel again or sometime they will prolong their stay at their favorite hotel (Rao & Sahu, 2013). Customer satisfaction is a personal estimation of customers to the function of services that they received by dealing with the emotion and expectations of the customers (Abbasi, Khalid, Azam, & Riaz, 2010). It is the psychological state of the customer to ensure their desirable needs and expectation of the products and services (Rather, Tehseen, Itoo, & Parrey, 2021).

In this research, customer satisfaction focuses on the level of value, enjoyment, and fulfillment that customers expressed after receiving the service. It is a personal psychological state, emotion, and expectation of the customer to the hotel and it could lead to the intention to revisit, repurchase and become loyalty.

## **Brand Trust**

Branding is one of the very famous topics among companies and business owners around the world (Maurya & Mishra, 2012). As branding is the marketing word, which referred to anything that could identify the products or services of the company to their target customers (Moore & Reid, 2008). Brand could be done by either tangible or intangible identity objects such as a logo, slogan, or even the company's name (Anholt, 2005). While, "Trust" is an individual emotional aspect of humans willing to rely on someone in that we have confidence and this emotion could lead to highly valued exchange relationships (Morgan & Hunt, 1994). Brand trust is playing a role as one of the key determinants of customer behavioral intention to purchase because customer who trusts in some brands are more likely to maintain their reuse intention of that particular brand that they like and they tend to give a positive word of mouth to the other (Dehdashti, Kenari, & Bakhshizadeh, 2012).

For hotel business, the topic of brand trust plays an important role for the customer because many times that customers will stay at the hotel when they need to travel to some places that they have never been to are or not familiar with. Then, these customers tend to choose the hotel that they trust in the quality of service such as good location, good security control, good price, and so on (Maghzi, Abbaspour, Eskandarian, & Hamid, 2011). In this research, brand trust referred to the psychological factor that determines behavioral intention to purchase from customers. It is the relationship between the customer and their favorite hotel. Customers expected and have a feeling of good service and security to come and stay at the hotel. Lastly, these customers desired to return to the hotel again and were ready to give a positive word of mouth about the hotel to others. Moreover, these customers tend to become loyalty customers in the future.

## **Hypothesis and Conceptual Framework**

According to the research background, research objective, and literature review, the hypothesis and conceptual framework were formed accordingly

### **Relationship between service marketing mix 7Ps and brand trust**

The high quality of products and services is one of the main characteristics of success for the business because customers have expectations of receiving good and worthy products and services. The marketing mix is the marketing concept that focuses on the controllable variable to produce good quality products and services. In the hotel business widely used service marketing mix 7Ps of Booms and Bitner, (1981) to provide good services to their customers. Brand trust is the desire and eagerness of the customers to purchase or use the service of some company (Sahin, Zehir, & Kitapç, 2011). Many researchers have a positive relationship between these service marketing mix 7Ps and brand trust (Loo & Leung, 2018). Pourdehghan (2015) studied the satisfaction of mobile phone customers, and found that service marketing mix especially product factors has a high impact on the brand trust of the customer. On the other hand, Kuo, Zhang and Cranage (2015) found that the low quality of the service marketing mix especially product, promotion, and people could lead to the lower level of brand trust

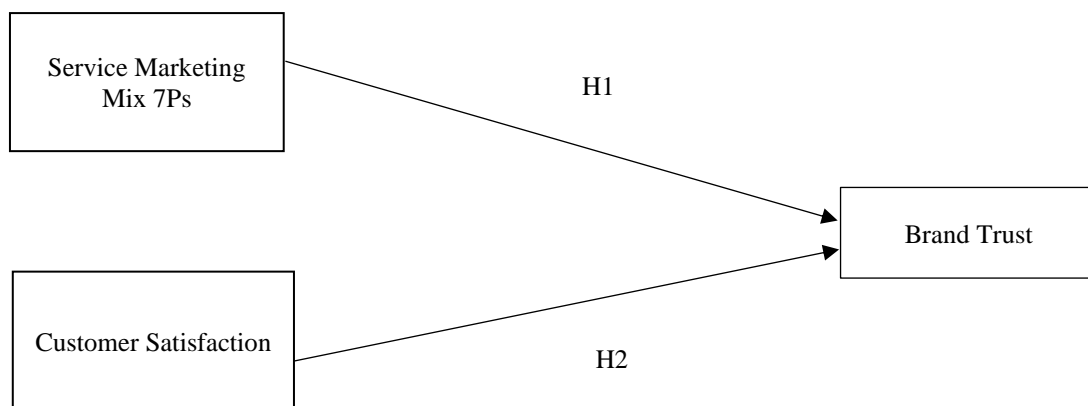
but the marketing mix strategy could meet the desire and expectation then it could help to increase the brand trust of their customer. Following these literature reviews, the hypothesis was proposed:

- H1: There is a positive relationship between service marketing mix 7Ps and brand trust

#### **Relationship between customer satisfaction and brand trust**

Several previous studies about customer satisfaction indicated that this factor is very significant and has a high effect on the success or failure of the business (Sim, Mak, & Jones, 2006). A high level of customer satisfaction could help the company to receive positive performance and make more profit; conversely, a lower level of customer satisfaction could destroy the business and lead to the loss of the company (Rather & Sharma, 2017; Kandampully & Suhartanto, 2003). Trust is a psychological factor of the willingness to use, purchase, and return to the place or company that they trust. It is one of the important tasks of owners and managers to create develop and improve the positive relationship with their target customers, which will lead to the brand trust of their company. Maghzi et al. (2011) studied the hotel service in Dubai and expressed that customer satisfaction has a direct positive on hotel brand trust, and high satisfaction could increase customer fulfillment, an expectation that finally will provide more revenue and profit for the company. Rather et al. (2021) added customer satisfaction could drive brand trust and influence customers' patronage, word-of-mouth intention, and intentions to revisit. According to these empirical studies, the second hypothesis was presented:

- H2: There is a positive relationship between customer satisfaction and brand trust



**Figure 1.** The conceptual framework of this research

## **Research Methodology**

### **Population Sample Size and Data Collection**

This research uses quantitative methods by using a research questionnaire to collect the data. After that, the data was analyzed by using the structural equation modeling (SEM). The conceptual framework was designed and presented in this study to explain the relevant factors on customer brand trust. The population that participated in this research are the customers who stay at the hotel and use other services during their stay such as restaurants, swimming pools, spas, bars, etc. These customers



could be both Thai and foreigners. The total number of populations is 435 customers from 3 to 5 stars hotels in 4 famous tourist destinations in Thailand namely Bangkok, Chiang Mai, Pattaya, and Hua Hin. Before collecting the data, the researcher contacted the hotel manager or human resources manager and explained the reasons and benefits of doing this research in the means time researcher asked permission of collecting the data. During the data collection process, the participants have been interviewed by our research teams. Firstly, our research team will ask for permission and intention to give their opinions. If some customers do not want to give information, then the researcher team will apologize and not ask more questions. The demographic information of participants is described in Table1 accordingly.

**Table 1.** Demographic Profile of Samples (n = 435)

<b>Demographics</b>	<b>Frequency</b>	<b>%</b>
<b>Sex</b>		
Male	210	48.3
Female	225	51.7
<b>Age</b>		
Less than 20	0	0.0
21 – 30 years old	81	18.6
31 – 40 years old	150	34.5
41 – 50 years old	111	25.5
51 and over	93	21.4
<b>Education Level</b>		
Less than high school	0	0
High school	0	0
Bachelor's Degree	260	59.8
Master's Degree	163	37.5
Doctoral Degree	12	2.8
Other.....	0	0
<b>Salary Rate or income per month:</b>		
Less than 20,000 THB	0	0
Between 20,000 – 30,000 THB	35	8.05
Between 30,000 – 40,000 THB	104	23.91
Between 40,000 – 50,000 THB	155	35.63
Between 50,000 – 80,000 THB	121	27.82
More than 80,000 THB	20	4.59
<b>Frequency of stay at the hotel:</b>		
Less than 1 time per year	0	0
Between 1 to 2 times per year	32	7.36
Between 2 to 3 times per year	225	51.72
Between 4 to 5 times per year	140	32.18
More than 5 times per year	38	8.74

**Table 1.** Demographic Profile of Samples (n = 435) (Cont.)

Demographics	Frequency	%
<b>Career and job:</b>		
Hotel Business	8	1.8
Restaurant Business	12	2.8
Tourism Business	24	5.5
Government	71	16.3
Private sector	172	39.5
State Enterprise	43	9.9
Own Business	105	24.1
Other.....	0	0
<b>Position in the company:</b>		
Business owner	110	25.29
Management team	133	30.57
Manager or Supervisor	126	28.97
Staff or Employee	66	15.17
<b>Status:</b>		
Single	196	45.1
Married	239	54.9
Divorced	0	0
Other.....	0	0

### Descriptive Statistics Result

The demographic profiles of the 435 sample respondents were females accounting for 225 (51.7%) and males accounting for 210 (48.3%). In addition, the majority average age was between 31-40 years old 150 (34.5%), the second biggest group was between 41 and 50 years old, accounting for 111 (25.5%), aged more than 50 years old accounted for 93 (21.4%), aged between 21-30 years old was 81 (18.6%), lastly aged less than 20 years old was not found in this research. The education level was bachelor's degree (260: 59.8%), master's degree (163: 37.5%) and doctoral degree (12: 2.8%). An average salary or income per month describes as between 20,000-30,000 THB (35: 8.05%), between 30,000-40,000 THB (104: 23.91%), between 40,000-50,000 THB was the most average salary per month in this study (155: 35.63%), between 50,000-80,000 THB (121: 21.82%), last one was more than 80,000 THB (20: 4.59%). The frequency of stay at the hotel was between 1 to 2 times per year (32:7.36%), between 1 to 2 times per year, between 2 to 3 times per year (225:51.72%), between 4 to 5 times per year (140:32.18%) and the customer who stay at the hotel more than 5 times per years was (38: 8.74%). Career or job of the participants showed that most of the customer in this research was working in the private sector (172: 39.5%), the second career in this research was a business owner (105: 24.1%), and the rest of the careers were a hotel, restaurant, government and state enterprise. Most of position were business owner (110:25.29%), management (133:30.57%), manager or supervisor

(126: 28.97%) and last one was staff or employee of the company was (66: 15.17%). The most status of participant was married (239: 54.9%) and single was (196: 54.9%).

## Result

The findings of this research have been reported in Table 2 Construct Reliability and Convergent Validity Result, Table 3: Discriminant Validity, Table 4: Absolute Model Fit Indices, Table 5: Hypothesized Relationship Results, and Table 6: Total effect, direct effect and indirect effect from The SEM in term of how service marketing mix 7Ps impact on brand trust. Moreover, how does customer satisfaction affect the brand trust of the hotel customer in Thailand

### Construct Reliability, Convergent Validity, Discriminant Validity

In principle, the average variance extracted (AVE) and composite reliability (CR) of all measurement scales should be higher than 0.50 and 0.70, respectively. According to Fornell and Larcker, (1981), the discriminant validity is used to test the discriminant validity and it should be lower than the square root of AVE. Hair, Black, Babin, and Anderson (2010) presented that standardized factor loading for all variables should not be lower than the recommended value of 0.50. The construct reliability and convergent validity of the content of service marketing mix 7Ps have shown in Table 2 ( $\alpha = .741$ , AVE = .575, CR = .640), customer satisfaction ( $\alpha = .738$ , AVE = .563, CR = .632), and brand trust ( $\alpha = .719$ , AVE = .646, CR = .694). According to the result, all factor loadings were between .67 and .86. Eventually, the reliability of all variables and the convergent validity were accepted. Moreover, the discriminant validity result of this research was presented in Table 3

**Table 2** Construct Reliability and Convergent Validity Result (n = 400)

Construct and Items	Factor Loading	Cronbach's Alpha	AVE	CR
<b>Service Marketing Mix 7Ps</b>		<b>.741</b>	<b>.575</b>	<b>.640</b>
P1 Product	.67			
P2 Price	.76			
P3 Place	.65			
P4 Promotion	.79			
P5 People	.83			
P6 Process	.78			
P7 Physical Evidence	.80			
<b>Customer Satisfaction</b>		<b>.738</b>	<b>.563</b>	<b>.632</b>
SAT1	.79			
SAT2	.71			
<b>Brand Trust</b>		<b>.719</b>	<b>.646</b>	<b>.694</b>
BT1	.86			
BT2	.74			

**Table 3** Discriminant Validity

Constructs	7Ps	SA	BR
Service Marketing Mix 7Ps	<b>0.6521</b>		
Customer Satisfaction	0.689	<b>0.7042</b>	
Brand Trust	0.663	0.658	<b>0.7105</b>

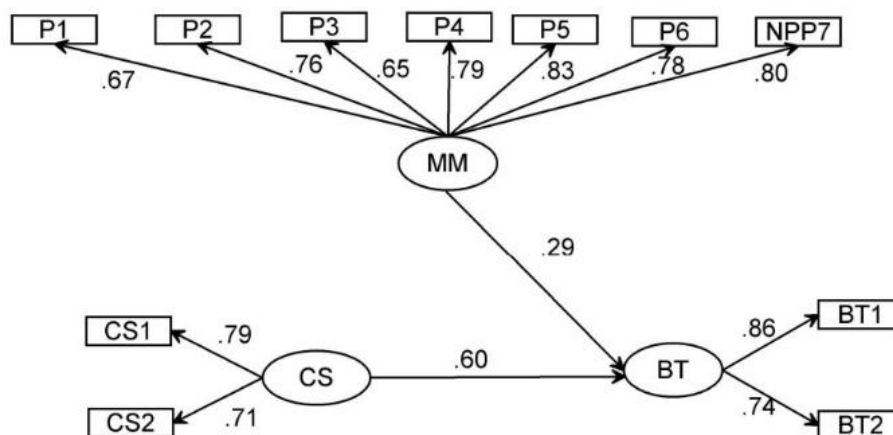
### Structural Equation Model (SEM Report)

Structural equation modeling or SEM was applied to test the overall fit of the structural model, which examined the outcome of the hypothesis testing. According to Hair et al. (2010), the criteria of model fit should have  $\chi^2/df \leq 3.00$ ,  $GFI \geq 0.90$ ,  $CFI \geq 0.90$ ,  $NFI \geq 0.90$ ,  $AGFI \geq 0.90$ ,  $RMSEA \leq 0.07$ , and  $RMR \leq 0.08$ . This is a criterion of good model fit value that can statistically accepted (Hair, Sarstedt, Ringle, & Gudergan, 2017), In Table 4 the model fit indices were demonstrated following; firstly, the initial model showed moderate fit ( $\chi^2=502.338$ ,  $\chi^2/df=11.960$ ,  $p=.000$ ,  $GFI=.850$ ,  $CFI=.821$ ,  $NFI=.809$ ,  $AGFI=.765$ ,  $RMSEA=.165$ ,  $RMR=.173$ ). After modification the model showed good fit ( $\chi^2=45.553$ ,  $\chi^2/df=1.380$ ,  $p=.000$ ,  $GFI=.980$ ,  $CFI=.995$ ,  $NFI=.983$ ,  $AGFI=.960$ ,  $RMSEA=.031$ ,  $RMR=.016$ ). The results shown in Table 4 and Figure 1 present the structural equation modeling model results.

**Table 4** Absolute Model Fit Indices

Absolute Model Fit Indices								
Model	$\chi^2$	$\chi^2/df$	GFI	CFI	NFI	AGFI	RMSEA	RMR
Criteria	-	$\leq 3.00$	$\geq 0.90$	$\geq 0.90$	$\geq 0.90$	$\geq 0.90$	$\leq 0.07$	$\leq 0.08$
Initial model	502.338	11.960	.850	.821	.809	.765	.165	.173
Final model	45.553	1.380	.980	.995	.983	.960	.031	.016

Note:  $\chi^2$  = chi-square,  $\chi^2/df$  = relative chi-square, GFI = goodness of fit index, CFI = comparative fit index, NFI = normed fit index, AGFI = adjusted goodness of fit statistic, RMSEA = root mean square error of approximation, RMR = root mean square residual



**Figure 2** Structural Equation Model Result

## Hypothesis Results

Two hypothesis results are presented in Table 5 and the total effect (direct effect) of this model was presented in Table 6. The first hypothesis proposed that there is a positive relationship between the service marketing mix 7Ps and brand trust. The first hypothesis is significantly supported, which can be described that the service marketing mix 7Ps which consists of 7 factors namely product, price, place, promotion, people, process, and physical evidence have an influence on the brand trust of the customer of the hotel. People, physical evidence, and promotion played an important role and strongly influence brand trust. This result could be explained if the hotel could provide a high quality of products and services via these 7 controllable factors. It will be able to increase the customer brand trust in the hotel. The second hypothesis was, there is a positive relationship between customer satisfaction and brand trust. This hypothesis was also significantly supported by SEM analysis. It could express that customer satisfaction could have a strong influence on customer brand trust. If the hotel could satisfy their customers very well or could able to provide a good service that meets with their needs and expectations. These customers tend to trust the hotel brand and will return to use and stay at this hotel again. Moreover, according to the result which shown that customer satisfaction has a stronger influence than service marketing mix 7Ps, but both factors are important to increased brand trust which owner and management need to focus on and monitor in order to increase a chance to receive a higher brand trust level.

**Table 5** Hypothesized Relationship Results

Hypothesis relationship	Results	P-value
H1: There is a positive relationship between service marketing mix 7Ps and brand trust	supported	0.05
H2: There is a positive relationship between customer satisfaction and brand trust	supported	0.001

**Table 6** Total effect, Direct effect and Indirect effect

Path	Path coefficient	SE	t-value	P-value
<b>Direct effect</b>				
7Ps → BR	<b>0.29</b>	.088	<b>2.05</b>	.017
SA → BR	0.60	.053	6.43	.000

## Conclusion And Discussion

The hotel business is a promising business, especially for Thailand where most of the revenue of the country was generated from the hospitality industry and hotel is one of the major businesses of this industry. As the hotel business is a service business that deals with the emotion and expectations of its customers. Producing good hotel services to satisfy their customers and increase hotel brand trust would be the main conclusion of this research.

The first variable is the service marketing mix 7Ps which described 7 controllable factors for the success of hotel service. Great service could be done and performed by using the service marketing mix 7Ps by Booms and Bitner (1981) because this model was accepted and applied by several authors and markets to bring success to their organizations. Many found successful results in service business by using the service marketing mix 7Ps (Loo & Leung, 2018). This research found a similar result that the service marketing mix 7Ps is a considerable factor to support the creation of good quality service of hotels in Thailand. Especially of some hotels could focus, balance and develop all 7Ps factors (product, price, place, promotion, people, process, and physical evidence) to perform to their full potential. It could be able to help the hotel to provide a great service for their customers and according to the literature review shown that happy customers tend to spend more money for other services of the hotel during their stay and have an intention to return to the hotel again in the future. Baker (2000) stated that the variables in the marketing mix should be balanced with each other because the lower level of one factor could tarnish the other variable and destroy the image of the hotel. For example, if the luxury hotel lowers the price to get more customers, then they might receive more new customers but the existing loyalty customers could be negatively affected and dissatisfied with this promotion (Kandampully & Suhartanto, 2003). The result of this research clearly identified that the service marketing mix 7Ps is very important and strongly affected the brand trust of the hotel customers.

Customer satisfaction is another variable that is very important to produce customer brand trust because if they can satisfy their customers, it could be indicated that their services could meet the needs and expectations of the customers. The satisfied customers are not just returning to the hotel again but they are also ready to give a positive word of mouth to other people and tell them to visit the hotel. This positive word of mouth could be a very powerful marketing method to promote the hotel and increase the opportunity for success and profitability. Lastly, the variable in this research is brand trust. The results indicated that brand trust is a positive feeling of customers visiting and staying at the hotel. Customers that have a high level of brand trust in some hotels will always come and visit the same hotel. This brand trust customer will inform other people to come because they are confident that the people that they loved and informed will receive the great service and experience that they always got. Moreover, if the hotel had any negative images, these brand trust customers will always protect the hotel and help to make an excuse for the hotel. Finally, this research concluded that customer brand trust is very important for the hotel business and also for other service businesses, and brand trust could be built and influenced by the strong effects of service marketing mix 7Ps and customer satisfaction.

### **Limitations and future research studies**

According to the outcome of this study, even the result showed a positive relationship between service marketing mix 7Ps to brand trust and a positive relationship between customer satisfactions to brand trust, which adhered to our hypothesis that was received from several literature reviews of the previous studies in this field. However, they still have more dimensions, which the next research should

focus on and test to increase the robust information of this research field. The limitation of this research is, the data was collected from the only hotel business and doing only in Thailand but there are still more other service businesses that the next researchers could study. The main suggestion for the next researcher is to replicate this framework in other service businesses and in other countries in order to increase the robust this information and expand the area of this study. Finally, it might be some more valuables which still missing in this research and future studies could identify other determinants such as customer engagement, service quality brand loyalty (Priyo, Mohamad, & Adetunji, 2019).

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