

Factors Influencing Decision-making for Honeymooners When Choosing Thai Boutique Hotels

ปัจจัยที่มีอิทธิพลในการตัดสินใจของคู่รักเมื่อเลือกพักโรงแรมบูติกในประเทศไทย

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มหาวิทยาลัยนานาชาติแสตมฟอร์ด

Abstract

The factors and behavior of honeymooners when choosing Thai boutique hotels were investigated, together with the relationship between demographics and the marketing mix.

Quantitative research data were collected using a questionnaire survey which was distributed to 400 honeymooners and analyzed by frequency, percentage, mean, and standard deviation. The hypotheses were tested by Chi-square statistics.

The respondents were 161 males and 239 females. They were mostly between 25 and 29 years old with a bachelor degree and earned a monthly income of 30,001 to 40,000 baht. They stayed in boutique hotels during vacation not more than five times per year. The respondents searched for information on the internet via Google and chose room rates between 2,000 and 4,000 baht per night. In terms of the hypothesis testing, both demographic and marketing mix factors influenced the honeymooner's decision-making in choosing boutique hotels in Thailand.

Keywords: Boutique hotel, Consumer behavior, Marketing mix, Decision making

บทคัดย่อ

ปัจจัยและพฤติกรรมของคู่รักเมื่อเลือกพักโรงแรมบูติกในประเทศไทย ได้ถูกค้นหาความสัมพันธ์ระหว่างประชากรศาสตร์กับส่วนประสมทางการตลาด

การวิจัยนี้เป็นการวิจัยเชิงปริมาณ โดยใช้แบบสอบถามในการเก็บข้อมูลจากกลุ่มตัวอย่างที่เป็นคู่รัก 400 คน วิเคราะห์ข้อมูลโดยใช้สถิติเชิงพรรณนา ได้แก่ ค่าความถี่ ร้อยละ ค่าเฉลี่ย และส่วนเบี่ยงเบนมาตรฐาน และใช้สถิติเชิงอนุมานในการทดสอบสมมติฐาน ด้วยวิธีการทดสอบความเป็นอิสระต่อกันของสองตัวแปร

ผลการวิจัยพบว่า จากกลุ่มตัวอย่างมีเพศชาย 161 คน และเพศหญิงอีก 239 คน ส่วนใหญ่อยู่ในช่วงอายุ 25 ถึง 29 ปี และเรียนจบการศึกษาระดับปริญญาตรี ในส่วนของรายได้จะอยู่ที่ประมาณ 30,001 ถึง 40,000 บาท ต่อเดือน กลุ่มตัวอย่างส่วนมากเลือกที่จะพักโรงแรมบูติกในช่วงวันหยุดลาพักร้อน ไม่เกิน 5 ครั้งต่อปี มักจะค้นหาข้อมูลเพิ่มเติมของโรงแรมบูติกในเว็บไซต์ Google แล้วตัดสินใจเลือกด้วยตัวเอง ด้วยราคาห้องพักอยู่ประมาณที่ 2,000 ถึง 4,000 บาท ในส่วนของการทดสอบสมมติฐานพบว่า ประชากรศาสตร์ และส่วนประสมทางการตลาด มีอิทธิพลในการตัดสินใจเลือกพักโรงแรมบูติกในประเทศไทยของคู่รัก

คำสำคัญ : โรงแรมบูติก พฤติกรรมผู้บริโภค ส่วนประสมทางการตลาด การตัดสินใจ

Introduction

Recently, the ‘Boutique Hotel’ has become popular in the hotel industry as a small hotel, typically with between 10 and 100 rooms, which offers upmarket accommodation in a unique, themed and stylish setting. Boutique hotels are becoming a worldwide trend; they stand out from other hotels with a different and unique style, decoration, design, theme, concept, and experience that the big chain hotels cannot offer to their guests (Day, Quadri, & Jones, 2012).

Thailand is following this global trend and many tourist attractions now have new boutique hotels. There are currently 31 boutique hotels in Bangkok and this number is set to increase in the future. FnBnews (2015) reported that the InterContinental Hotels Group, a big hotel company “takes boutique brand Hotel Indigo to Bangkok”. They have just opened a new boutique hotel named Hotel Indigo Bangkok Wireless Road. Even big hotel companies are now interested in boutique hotels; they have become very popular (FnBnews, 2015).

The Tourism Authority of Thailand (2013) recorded that more Thais are now traveling domestically and the numbers of local trips are increasing year by year. This means that internal tourism in Thailand is growing continually and this trend will affect the hotel and tourism industry (Tourism Authority of Thailand, 2013).

This growth in public travel will increase the income of many businesses, especially the hotel and tourism industry. Boutique hotels are now becoming the preferred choice for Thai travelers. Thus, research was conducted to ascertain the factors influencing decision-making for honeymooners when choosing Thai boutique hotels.

Objectives

1. To study the factors influencing decision-making for honeymooners when choosing Thai boutique hotels

2. To investigate the behavior of honeymooners when choosing Thai boutique hotels
3. To investigate the relationship between demographics, marketing mix, and the behavior of the honeymooners.

Literature Review

Boutique Hotel: Many people are confused regarding the difference between boutique hotels and lifestyle hotels. Lifestyle hotels can have up to 300 rooms. Boutique hotels are small and unique, and the word lifestyle also seems to portray an individual aspect which confuses people. The difference between boutique hotels and lifestyle hotels does not relate to size and style. A boutique hotel is small with less than 100 rooms; it offers a high level of service and the hotel design is unique. A lifestyle hotel is small to medium sized and focuses more on innovative features and contemporary design (Day, Quadri, & Jones, 2012).

Marketing Mix for Service Industry (Product, Price, Place, Promotion, People, Process, and Physical Evidence): The Chartered Institute of Marketing (2009) defined marketing as providing the right product or service at the right price, in the right place, at the right time. If a company does not market its products efficiently and correctly, then it cannot meet customer needs and wants or make an acceptable profit. Marketing is necessary in every business, large or small. Each hotel has their target market and they must be able to match their product and service to satisfy the requirements of their customers.

Consumer Behavior: Consumers are people who make decisions as to when to purchase the product or use the service. They search for the particular product or service that can satisfy their needs and wants (Abdulrahman, 2008). Consumer behavior must be understood by the marketer, together with needs and wants to increase sales and brand loyalty (Mason, 2010). The marketer has to understand and be aware of what is at the forefront of the consumer's mind when they need to buy something. This decision-making process allows the marketer to know the mindset of the consumers when they intend to make a purchase (Solomon, Bamossy, Askegaard, & Hogg, 2003).

Consumer Decision-making Process: There are five stages in the decision-making process to buy a product or service: need recognition and problem awareness, information search, evaluation of alternatives, purchase, and finally post-purchase evaluation. It is very important for a company to understand what is in the consumer's head before they purchase a product or

service. These five steps in the consumer decision-making process help the company to better understand their consumers and assist marketers to develop their strategy (Solomon, 2003).

Methodology

Population: a nonprobability sampling method was used to select the respondents. The respondents were randomly asked to answer questions which focused specifically on honeymooners.

Sample Size: The Worldometers real-time website recorded the population of Thailand at 67,222,972 in the year 2014. A formula was used to determine the sample size following Yamane (1967) as shown below:

$$n = \frac{N}{1 + N(e)^2}$$

Where n = sample size

N = population size, which is 67,222,972

e = level of precision, which is 0.05

Yamane's formula in calculating sample size,

$$\begin{aligned} n &= \frac{67,222,972}{1 + 67,222,972 (0.05)^2} \\ &= 400 \text{ people} \end{aligned}$$

The most suitable sample size was, therefore, set at 400 respondents who were sourced from boutique hotels and wedding fairs.

Sampling Method: The researcher did the survey and collected the data from 31 May to 31 August in the year 2015 at some boutique hotel and wedding fair because in these even there were many honeymooners.

Wedding Fair in the year of 2015

Date	Place
31 May 2015	The Landmark Bangkok Hotel
4 to 7 June 2015	Queen Sirikit National Convention Center
11 to 12 July 2015	Windsor Suite Hotel
11 to 19 July 2015	Impact Muang Thong Thani

Source: Adapted from Wedding Hitz, 2015

Scope of the Research

Area of Research: The research data included the demographics of the targeted respondents as gender, age, education level, and income with focus on the theory of consumer behavior and marketing mix for the service industry (7Ps).

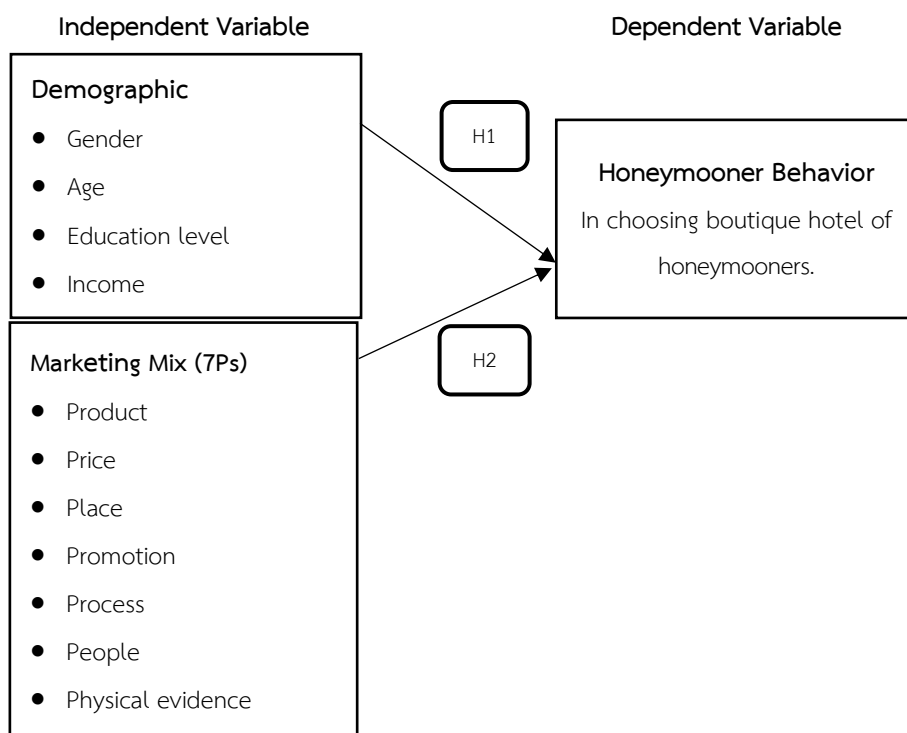
Population and Sample: The 400 respondents were selected from Thai honeymooners.

Research Timeframe: Data were collected between 31 May and 31 August 2015 at wedding fairs and boutique hotels.

Limitations of the Research

These focused on the factors affecting the decision-making of Thai honeymooners when choosing a boutique hotel as both demographic and marketing mix. The satisfaction of the consumers was not assessed. The respondents were limited to Thai couples only.

Conceptual Framework



Definition of Terms

Boutique hotels are small with 10 to 100 rooms. The selling points are the unique characteristics and designs which often follow a theme.

Consumer behavior relates to the study of the processes that consumers follow to select, secure, use, and dispose of products and services which satisfy their needs.

Demography is the statistical study of populations and demographic characteristics include gender, age, education level, and income.

Honeymooners are newly married couples; however, they can also be lovers or couples married for a long time who want to enjoy a special trip together.

Marketing mix relates to a set of factors that focus on product, price, place, and promotion. In the service industry, these are people, process, and physical evidence.

Data Collection

Data collection was divided into two parts as secondary and primary data.

Primary data: This refers to data collected for the first time by individual methods to answer the research problem from surveys, focus groups, or interviews. The advantages of primary data are that it is more specifically suited to the problem and collection can be controlled. Disadvantages of primary data include the high cost and the time taken to collate the information from the survey questionnaire. Sometimes the feedback is incorrect and requires further resources (Curtis, n.d.). Primary data were gathered through a questionnaire distributed to 400 respondents.

Secondary Data: This refers to data that has already been gathered. The secondary data used in this research was reliable, up to date and not taken from blogs. Many researchers use secondary data to provide basic information which assists in clarifying the research problem. Collection is not expensive or time consuming. However, secondary data may not be accurate and is sometimes out of date (Management study guide, n.d.). The secondary data was gathered from the internet, newspapers, books, journals, and other related research. All information was reliable and relevant to the topic.

The steps for collecting the primary data:

- 1) Distribute the questionnaires to 400 respondents attending wedding fairs
- 2) Collect all questionnaires after the respondents had answered all of the questions

Enter all data into the SPSS program for analysis

Data Analysis

The SPSS program was selected to analyze and interpret the data. All data analyzed and interpreted were then divided into two types as descriptive statistics and inferential statistics.

Descriptive Statistics: These are numbers used to summarize and describe the data. They measure the basic features and do not test the hypotheses. Descriptive statistics include frequency, percentage, mean, and standard deviation.

Statistical tool that use in different type of questions measurement

Question	Measurement	Statistical tool
Part 1: Demographic	Nominal & Ordinal	Frequency & Percentage
Part 2: Consumer behavior	Nominal	Frequency & Percentage
Part 3: Marketing mix	Interval / Likert	Mean & Standard deviation

Source: Developed for this study

The table above shows the statistical tools used for the measurement of the different types of research questions. The choice of statistical tool depended on the type of question or measurement scale. For nominal and ordinal measurements the statistical tool used was frequency and percentage. Interval or ratio measurements were performed using mean and standard deviation (Trochim, 2006).

Four statistical methods were used as described below:

- 1) The frequencies of the data values were used to describe the demographics of the respondents.
- 2) Percentage relates a part to the total multiplied by 100, or parts per hundred. The demographic data were analyzed as percentages.
- 3) Mean value is the calculation of the average by summing all the observations and dividing by the total number of observations. This statistic was used to analyze consumer behavior and marketing mix.
- 4) The standard deviation is a measure used to quantify the variation or dispersion of a set of data values; numerically defined as the square root of the variance.

Inferential Statistics

Inferential statistics is an analytical method to test the hypotheses. Inferential statistics are used to learn the relationship or difference between variables. There are many types of statistical methods used to test hypotheses, but this study used Chi-square (Trochim, 2006).

Statistical tool that use to test the hypothesis

Hypothesis	Statistical
H1: The demographic has an effect on the decision making in choosing boutique hotel	Chi-square
H2: The marketing mix has an effect on the decision making in choosing boutique hotel	Chi-square

Source: Developed for this study

The table above shows Chi-square as the statistical tool used to test the hypotheses. The statistical tool chosen to test each hypothesis was related to the measurement scale.

Research Findings

The first part of the questionnaire concerned demographics. The total number of respondents was 400 as 239 females (60%) and 161 males (40%). There were 126 respondents (31.5%) aged 25-29 years old and only 53 respondents (13.3%) were 20-24 years old. The majority 64.5% had a bachelor degree and only 53 (13.3%) had a doctoral degree. There were 105 respondents (26.3%) with a monthly income of 30,001-40,000 baht and only 10 (2.5%) earned less than 10,000 baht.

The second part of the questionnaire concerned consumers' behavior when making a decision to choose a boutique hotel. Most of the respondents stayed in a boutique hotel for vacation and special occasions, with some staying for business and visiting friends. More than half stayed in boutique hotels less than five times per year. The respondents mostly searched for information about boutique hotels on the internet through Google and made their own decisions, preferring room rates at between 2,000 to 4,000 baht per night.

The third part of the questionnaire concerned the importance level of marketing mix. Results indicated that all marketing mix factors as Product, Price, Place, Promotion, People, Process, and Physical Evidence were rated at the high importance level.

Hypothesis Testing:

Hypothesis 1: The demographics have an effect on the decision-making of honeymooners when choosing a boutique hotel.

Hypothesis 2: The marketing mix has an effect on the decision-making of honeymooners when choosing a boutique hotel.

The Chi-square statistic was used to analyze the relationship between demographics, consumer behavior, and marketing mix. Results showed that both demographics and marketing

mix had a significant effect on the consumer behavior of honeymooners when choosing a boutique hotel at 95% confidence level. The Null hypothesis was rejected.

Discussions

This study had two main hypotheses as H1 and H2. These were the most relevant hypotheses that directly related to the study topic. The finding indicated a relationship between the demographic factors and consumer behavior, and also between the marketing mix factors and consumer behavior in the decision-making process.

Demographic characteristic had a significant influence on consumer decision-making when choosing a boutique hotel. Bhujabal (2014) found that the main objectives to stay in a hotel were for business and travel. However, results from this research showed that the main objectives to stay in a boutique hotel were for vacation and special occasions and not for business.

Boutique hotels were unique in style and decoration and the room rate that respondents preferred was dependent on their income. The room rate affected customer decision-making when choosing a room in a boutique hotel. Bhujabal (2014) also found that the choice of room by customers depended on their income. Thus, demographics had an effect when choosing a boutique hotel.

Chintanavisit (2010) determined that consumer behavior intention to stay in a boutique hotel depended on attitude, belief, and experience which agreed with our results. Different people think differently. Respondents of the same gender and age answered the questions differently. Thus, consumer behavior depended on attitude, belief, and experience. There were many factors that influenced customer decision-making, not only demographics and marketing mix.

Regarding the marketing mix of Product, Price, Place, Promotion, People, Process, and Physical evidence, results revealed that all factors had an influence on the decision-making process when choosing a boutique hotel.

Marketing mix was important, but the level of importance depended on the individual customer and the type of hotel. Some customers cared more about the price than the product; they were happy with a boutique hotel that offered a low rate, no matter if the design of the hotel was not that unique. However, some customers preferred to stay in a boutique hotel that was unique in style for both decoration and service, no matter how much they had to

pay. Yu (2012) opined that each hotel focused on a different P in the marketing mix. For example, budget hotels focused more on price and promotion, but boutique hotels focused more on product because their selling point was the uniqueness of the design. All the Ps in the marketing mix were important and each had a different weighting.

Tha-in (2014) found that when guests were looking for boutique hotels most focused on the friendliness of the staff, unique and modern interior design, the convenience of the facilities, and the marketing mix. However, these factors all depended on the perception of each guest.

Recommendations

Results from this research will assist the owners, management teams, or new investors in boutique hotels to understand the behavior of honeymoon couples when choosing where to stay. This information can then be used to develop their boutique hotel to match with consumer requirements and satisfy the needs of honeymoon couples. With a good understanding of the importance of the marketing mix, marketing teams will be able to develop the best plans for their hotel.

1) Results in Chapter 4 suggested that most respondents preferred to stay in boutique hotels for vacation, with room rates between 2,000 and 4,000 baht. This rate was low for boutique hotels but the hotel could offer higher rates with packages or special promotions to make the guests feel like they are getting value for money.

2) Regarding Product, facilities were marked at the highest importance level. The hotelier must, therefore, provide guests with all the facilities to satisfy their needs and not only a nice and clean room.

3) Price, value for money and room rate were all at the highest importance level. When setting the room rate, the hotelier must ensure that the price relates to both product and service. The rate must not be too high or too low. The hotelier must keep an eye on the competitors and also the room occupancy rate.

4) Place or Distribution Channel results regarding the choice of hotel indicated that online travel agents were more important than hotel websites. The hotelier must improve the hotel website to make it more attractive to customers. This will avoid paying commission to travel agents.

5) Special Promotions and advertising campaigns can present the hotel as unique to attract more guests. Customer reviews are also another way of promotion and a good hotel will attract excellent reviews.

6) People are vital and very importance for the service industry. No matter how beautiful the hotel, if the service is bad and the staff are not well-trained then no one will come to stay.

7) All Processes must be easy and convenient for the guests with high speed service. A complicated room booking process and slow check in and check out will scare the customers away. High standards must be maintained at all times.

8) Physical Evidence relates to the cleanliness of both the hotel and its staff.

9) Boutique hotels have recently become popular, but in the future the trend may change. The hotelier must always have a plan to handle any situation that might occur.

10) Customer decisions change continuously with experiences. If the guest is satisfied, then there is nothing to worry about. Hoteliers must ensure that the hotel does not lack any ingredient to satisfy all the customer needs.

Recommendation for Further Study

The following suggestions are made:

1) This research only focused on demographic and marketing mix factors. Future studies should examine other factors that can influence consumer behavior in decision-making and the perception of customer awareness.

2) Apart from boutique hotels, other kinds of hotel or accommodation should be investigated such as guest houses. Relationships or differences between boutique hotels and guest houses should be evaluated.

3) Future research should also discuss the satisfaction of customers regarding their stay in boutique hotels and five-star hotels and make the appropriate comparisons.

4) The topic of basic needs should also be addressed as another important factor that influences customer decision-making.

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