

**THE TRENDS OF CUSTOMER BEHAVIOR THAT SELECT
LUXURY HOTELS IN BANGKOK, THAILAND**



**A THEMATIC PAPER SUBMITTED IN PARTIAL
FULFILLMENT OF THE REQUIREMENTS FOR
THE DEGREE OF MASTER OF MANAGEMENT
COLLEGE OF MANAGEMENT
MAHIDOL UNIVERSITY
2016**

COPYRIGHT OF MAHIDOL UNIVERSITY

Thematic paper
entitled
**THE TRENDS OF CUSTOMER BEHAVIOR THAT SELECT
LUXURY HOTELS IN BANGKOK, THAILAND**

was submitted to the College of Management, Mahidol University
for the degree of Master of Management

on
August 21, 2016



.....
Miss Sarisa Surapipith
Candidate

.....
Assoc. Prof. Roy Kouwenberg,
Ph.D., CFA
Advisor

.....
Asst. Prof. Prattana Punnakitikashem,
Ph.D.
Chairperson

.....
Assoc. Prof. Annop Tanlamai,
Ph.D.
Dean
College of Management
Mahidol University

.....
Simon Zaby,
Ph.D.
Committee member

ACKNOWLEDGEMENTS

The Success and final outcome of this thematic paper require numerous of guidance and assistance from several people and I am extremely fortunate to have got this all along the complement of my thematic paper. I would like to thank you, my family, who always support and encourage me to finish this thematic paper. I would like to thank you to my hotelier colleagues and all respondents for kindly support and provide information for this paper. Also, thank you for guidance and assistance from my advisor, Dr. Roy Kouwenberg, who encourage with genius and attitudes who continually conveyed a spirit an adventure in regard to research and scholarship in regard to teaching. Without his guidance and persistent help, this thematic paper would not have been possible.

Lastly, special thanks to my CMMU friends for providing me all support and guidance that made me complete the thematic paper on time. I am extremely grateful to them for offering such a nice support and guidance though they had busy schedule.

Sarisa Surapipith

THE TRENDS OF CUSTOMER BEHAVIOR THAT SELECT LUXURY HOTELS IN BANGKOK, THAILAND

SARISA SURAPIPITH 5749224

M.M. (ENTREPRENEURSHIP MANAGEMENT)

THEMATIC PAPER ADVISORY COMMITTEE: ASSOC. PROF. ROY KOUWENBERG, Ph.D., CFA, ASST. PROF. PRATTANA PUNNAKITIKASHEM, Ph.D., SIMON ZABY, Ph.D.

ABSTRACT

This research will explore the factors that encourage the long term success of luxury hotels in Bangkok to help the hotel management complete customer preferences, and be able to create the effective marketing strategy. Quantitative research methodology was applied in this research by collecting data via an online questionnaire. The respondents are those who use to experience the luxury hotels in Bangkok through Food & Beverage Service, Accommodations, Meeting and Event.

The results revealed that both Brand preference and Customer satisfaction, especially Customer satisfaction, significantly influence the purchase intention. The respondents perceive the brand influences from Celebrities or famous people through social media. Especially, the brand concept of hotel has become the most importance factor of the focused respondents. For Customer satisfaction, the research shows three main factors that influence customer satisfaction which are Location, Quality of Product and Technology innovation.

KEY WORDS: Customer Satisfaction/ Brand Preference/ Five-Star Hotel/ Bangkok

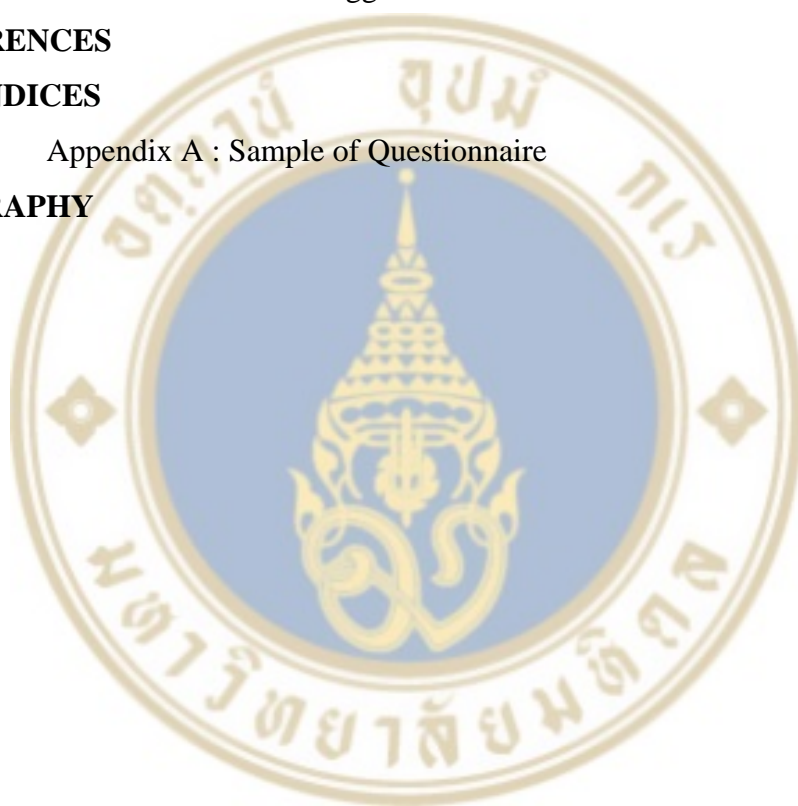
30 pages

CONTENTS

	Page
ACKNOWLEDGEMENTS	ii
ABSTRACT	iii
LIST OF TABLES	vi
LIST OF FIGURES	vii
CHAPTER I INTRODUCTION	1
1.1 Problem Statement	1
1.2 Research Question	2
1.3 Research Objective	2
1.4 Research Question	2
1.5 Expected Benefits	3
CHAPTER II LITERATURE REVIEW	4
2.1 Customer Satisfaction	4
2.2 Service Quality	5
2.3 Luxury Hotels	6
2.4 Rise of Luxury Hotels	6
2.5 Market segmentation of the Global Luxury Hotel Industry	7
2.6 Conceptual model	8
CHAPTER III METHODOLOGY	9
3.1 Research Design	9
3.2 Data Collection Methodology	10
3.3 Data Analysis	11
CHAPTER IV FINDINGS	12
4.1 The Respondents Demographic	12
4.2 General Hotel Information of the Respondents	13
4.3 Descriptive Statistic	15
4.4 Factor Analysis	18
4.5 Relation between Respondents' opinions and demographic	20

CONTENTS (cont.)

	Page
CHAPTER V CONCLUSION	21
5.1 Conclusions	21
5.2 Recommendations	22
5.3 Limitations and Suggestions for Future Research	22
REFERENCES	23
APPENDICES	25
Appendix A : Sample of Questionnaire	26
BIOGRAPHY	30



LIST OF TABLES

Table		Page
4.1	Shows each variable in average (mean), standard deviation, and N (number of observations) in the columns	16
4.2	Total Variance Explained	19
4.3	Rotated Component Metrix	19



LIST OF FIGURES

Figure	Page
2.1 Conceptual model	8
4.1 Proportion of population by gender	12
4.2 Proportion of population by Ages	12
4.3 Proportion of population by Employment status	13
4.4 Proportion of population by Income per month	13
4.5 Number of the respondents who used to experience staying in any five-star hotel in Bangkok as a customer	14
4.6 Services that respondents normally use in five-star hotel	14
4.7 Travelling time Facilities	14
4.8 Spending on Hotel	15
4.9 Length of stay at the hotel	15
4.10 Purposes of the stay	15
4.11 Scree Plot	19

CHAPTER I

INTRODUCTION

Thailand is a country that highly relies on the tourism industry. Following the trends and innovations are significant for development of hotels. The study will analyze trends, challenges and innovations in selected luxury in Bangkok.

Over the past few years, tourism in Thailand has seen continuous growth and significantly diversification to become one of the fastest growing economic sections in the Thailand. In 2014, a new record of 1.133 billion USD international tourists crossed boundary only in a single year; tourism industry generated 9% world GDP; one in eleven jobs generated from tourism directly or indirectly; international tourism receipts reached 1245 billion USD worldwide (WTO, 2015). Thailand faced a very challenging 2014 when the visitor arrivals in Thailand totaled around 24.7 million (24,779,768) and the annual revenue was 34.9 billion USD. The targets for 2016, as measured entirely in revenue earnings, will increase 8% over projected earnings for 2015, or around THB2.3 trillion. Of that, THB1.53 trillion will be generated by international visitors, while around THB 807,000 million will come from the domestic market (TAT, 2016).

The prosperous market segment was city trips which reached around 20% market share. The number of nights grew by 3% and average expenditure per trip increased by 2% to USD 1,750 between January and August 2014. According to MasterCard GDCI (2015), Bangkok ranked the second in the world and also be the top destination in Asia Pacific in 2015 with 8% increase from 2014.

1.1 Problem Statement

To support the luxury trends in Thailand, The tourism Authority of Thailand aims to raise the proportion of the country's tourism market held by luxury travelers to 30% by 2016, from 20% in 2015, while soliciting the help of private companies to penetrate this lucrative market overseas. (TAT, 2015) Also the number of luxury hotels in Bangkok

has been increased significantly in the past three years. As being a highly competitive in hotel industry and the number of luxury tourist has been increase. There are many factors that customer will select the hotel for their visit. Therefore the main propose of this research encompass and identify customer satisfaction and customer behavior in luxury hotels.

1.2 Research Question

This study investigates four main concerned, thrusted accommodation, transportation, food & beverage and attraction. One of the major factor which always be composed of accommodation, food & beverage, leisure activity, spas, architecture, all elements are combined in one word namely “Luxury hotel”. What trends and innovations attract more customers, enhance the customers’ loyalty and get competitive advantages, hotels need to improve from various aspects.

1.3 Research Objective

This study aimed to discover the new trends and innovations in luxury hotels in Bangkok, Thailand. Researcher conducted study within three phases.

1. To analyze the trends, challenges and innovations in luxury hotels in Bangkok.
2. To identify the practical innovations applied in luxury hotels in Bangkok.
3. To measure the customer satisfaction of luxury hotels in Bangkok.

1.4 Research Question

Accordingly, the research questions are set as follows:

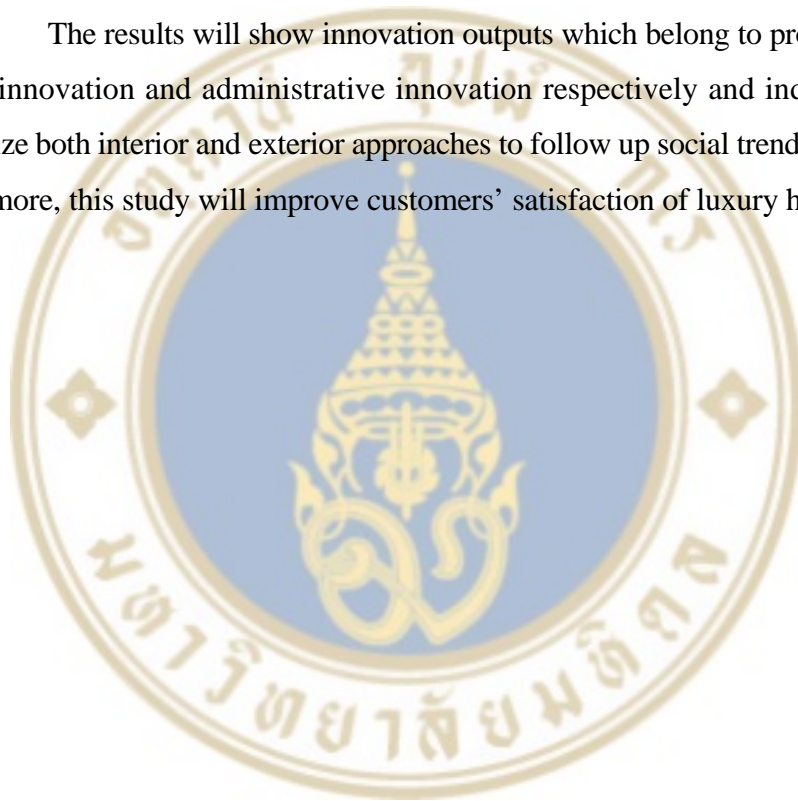
1. To analyze trends, challenges and innovations in luxury hotels in Bangkok.
2. To examine how customers follow up new trends and innovations of the hotel.
3. To discover innovation outputs and innovativeness in luxury hotels.

4. To measure customers satisfaction in luxury hotels.

Quantitative research techniques used in this study. The primary data will collect by conducting an online questionnaire with 100 respondents that have been experience in luxury hotels, also the hotel staff. Secondary data were mainly collected from journal articles, reports, and books and websites.

1.5 Expected Benefits

The results will show innovation outputs which belong to product innovation, service innovation and administrative innovation respectively and indicate that hotels will utilize both interior and exterior approaches to follow up social trends and innovation. Furthermore, this study will improve customers' satisfaction of luxury hotel in Bangkok.



CHAPTER II

LITERATURE REVIEW

2.1 Customer Satisfaction

Customer satisfaction is typically defined as a post consumption evaluative judgement concerning a specific product or service (Gundersen, Heide and Olsson, 1996). It is the result of an evaluative process that contrasts repurchases expectations with perceptions of performance during and after the consumption experience (Oliver, 1980).

The most widely accepted conceptualization of the customer satisfaction concept is the expectancy disconfirmation theory (Barsky, 1992; Oh and Parks, 1997; McQuitty, Finn and Wiley, 2000). The theory was developed by Oliver (1980), who proposed that satisfaction level is a result of the difference between expected and perceived performance. Satisfaction (positive disconfirmation) occurs when the product or service is better than expected. Customer satisfaction may have direct and indirect impact on business results. Anderson et al. (1994), Yeung et al. (2002), and Luo and Homburg (2007) concluded that customer satisfaction positively affects business profitability. The majority of studies have investigated the relationship with customer behavior patterns (Söderlund, 1998; Kandampully and Suhartanto, 2000; Dimitriades, 2006; Olorunniwo et al., 2006; Chi and Qu, 2008; Faullant et al., 2008). According to these findings, customer satisfaction increases customer loyalty, influences repurchase intentions and increase the number of positive word-of-mouth.

Applying to the hospitality industry, there have been numerous studies that define attributes that travelers or guests may find important regarding customer satisfaction. Atkinson (1988) found out that cleanliness, security, value for money and courtesy of staff determine customer satisfaction. Knutson (1988) revealed that room cleanliness and comfort, convenience of location, prompt service, safety and security, and friendliness of employees are important. Barsky and Labagh (1992) stated that employee attitude, location and rooms are likely to influence travelers' satisfaction. A study conducted by Akan (1995) showed that the main determinants of hotel guest satisfaction are the behavior

of employees, cleanliness and timeliness. Choi and Chu (2001) concluded that staff quality, room qualities and value are the top three hotel factors that determine travelers' satisfaction.

2.2 Service Quality

Service quality is a complex, exclusive, subjective and abstract concept. The definition of service quality is the comparison customers make between their expectations and perceptions of the received service (Parasuraman et al., 1988; Grönroos, 1982).

Quality is a multi-dimensional concept. Lehtinen and Lehtinen (1982) defined three dimensions of service quality, namely, physical quality, interactive quality and corporate quality. Similarly, Grönroos (1984) argued that service quality comprises of technical quality, functional quality and corporate image.

In the meantime, Parasuraman et al. (1985; 1988) developed the SERVQUAL scale, which became the most popular instrument for measuring service quality. They identified five key dimensions of service quality – reliability, tangibles, responsiveness, assurance and empathy.

The SERVQUAL instrument has been widely applied in a variety of service industries, including tourism and hospitality. The instrument was used to measure hotel employee quality as well (Yoo and Park, 2007). It should be noted that service quality and customer satisfaction are distinct concepts, although they are closely related. According to some authors, satisfaction represents an antecedent of service quality (Carman, 1990; Bolton and Drew, 1991)

To sum up, the relationship between quality and satisfaction is complex. Some authors have described it as Siamese twins (Danaher and Mattsson, 1994; Jamali, 2007). Although there still remain a lot of unresolved questions, it can be concluded that service quality and customer satisfaction can be perceived as separate concepts that have causal ordering.

2.3 Luxury Hotels

Luxurious experiences are largely interconnected with each person's hopes and dreams, which, as described in utterly fancy terms by some scholars, are tied to individuals striving to reach self-actualization and self-fulfillment through greater knowledge, appreciation of beauty, spiritual sophistication, peace, art, culture and aesthetics (Michman & Mazze, 2006). This makes "luxury" a highly subjective belief since people are different regarding ethnical belonging, culture of origin, educational background and personal experience (Becker, 2009).

Danziger (2005) categorized luxury into four dimensions that place luxury ideals into perspective, that is, "luxury as a brand", "luxury as luxe product features", "luxury as non-necessities", and "luxury as the power to pursue your passions". Obviously, luxury hotels, as substantial existence of certain established luxury brands, fall into the "luxury as a brand" category, which is about individuals consuming luxury products and services because they are perceived as a symbol of luxury and the best quality (Danziger, 2005).

2.4 Rise of Luxury Hotels

The luxury segment continues growing in the years after in spite of intermittent recessions, like the one between 1980s and early 1990 (Sherman, 2007). In 1995, construction began in Dubai on one of the most luxurious hotels in the world, the Jumeirah Beach Hotels, which boasted, "they offer a five-star lifestyle destination that's dedicated to delighting senses of every guest" (p. 33). In 1997, the Hotels Adlon in Berlin was renovated to be much like its luxurious heritage that was destroyed in the Second World War. In 2004, the new Emirates Palace Hotel in Abu Dhabi was built aimed to offer the most exceptional services. The idea of personalized service in luxury hotels has been redefined again and again by hoteliers of various luxury establishments around the world (Sherman). Until today the luxury hotel has evolved to the point where all involved in the design, building, and management, are catering to the tastes, preferences and desires of their guests. They continue to follow new styles and adapt to meet changing trends.

2.5 Market segmentation of the Global Luxury Hotel Industry

The hotel industry sector is generally classified into six categories: luxury hotels, upper upscale, upscale, upper-midscale, midscale and economy (Miller et al, 2013). The current study examined the luxury hotel segment, which can be further divided into luxury major, luxury exclusive and upper upscale (The World Luxury Index, 2013).

Luxury major refers to luxury brands of a major integrated chain, examples Ritz Carlton. Luxury exclusives are luxury brands of a small/ medium sized exclusive luxury hotel chain, such instances being Four Seasons, Kempinski, Mandarin Oriental, The St.Regis etc. (The World Luxury Index, 2013). Upper upscale brands are primary segments from integrated chains such as Hilton, Hyatt and Sheraton. Bobby Bowers, Senior V. P. of Smith Travel Research, stated, “Upper upscale hotels are among the most challenging to finance, develop, and operate. These properties involve significant risk, barriers to entry are often formidable, and development and construction time is lengthy” (Miller et al, 2012). Upper upscale is also included as part of luxury category due to the fact that “luxury” is a very subjective notion and no single criteria could comprehensively define whether a property is luxury or not. Hotels like Hilton and Hyatt are obviously luxury in a lot of people’s eyes even they are specifically categorized as upper upscale in the academia of hospitality management.

The core factor of hotel and hospitality industry is service where the recipient of service is customer. Hackett & Melia (2012) argued that modern hotel customer is searching for unique experiences, new challenge, and multi-entertainment in the form of action, emotion and entertainment. Resorts require considerable understanding hotel trends, guest desires and expectations (Elliot & Johns, 1993). Hotels need to consider more customizable to meet customers’ needs. Jayawardena *et al.* (2013a) pointed out that hoteliers should face three main challenges namely economic downturn, competition and human resources. Rayna & Striukova (2009), Sipe & Testa (2009) and Anthonisz (2014) stated that although competition in hotel industry is serious, competition creates pressure to change and with the purpose of stand out of the competition. Anthonisz (2014) claimed that organizational culture and local ownership of the brand are directly influencing innovation within the hotels. Jayawardena *et al.* (2013b), Anthonisz (2014), Hackett & Melia (2012), Sturman (2011) and Michelli (2011) indicated that tourists in the future will be more sophisticated, educated and well-travelled. They are looking for better

value of money and more than traditional hotel product. Hoteliers have to provide a product that meets the needs of tomorrow customer who is value conscious. Hoteliers also have to understand the term “value pricing” which means that they need to offer a high and wide variety of products exceeding customers’ expectation (Hackett & Melia, 2012). Sturman (2011) argued that hospitality manager is to find methods to improve guest’s experience by highlighting their awareness of the enjoyable experiences they will have, are having and did have. According to Michelli (2011), guests today are willing to be thrilled, to feel extraordinary satisfaction by getting much more value, attention, or enjoyment than they expected. Innovative technology and technological innovations are major trends leading to innovation in tourism and hospitality industry as well (Jayawardena *et al.*, 2013b; Anthonisz, 2014; Rayna & Striukova, 2009). However, Anthonisz (2014) and Rayna & Striukova (2009) argued that it is probably hard to survive without using technology in the modern hotel industry, but the very nature of high-end hotel business is that human contact, which is usually more valuable than impersonal technology.

2.6 Conceptual model

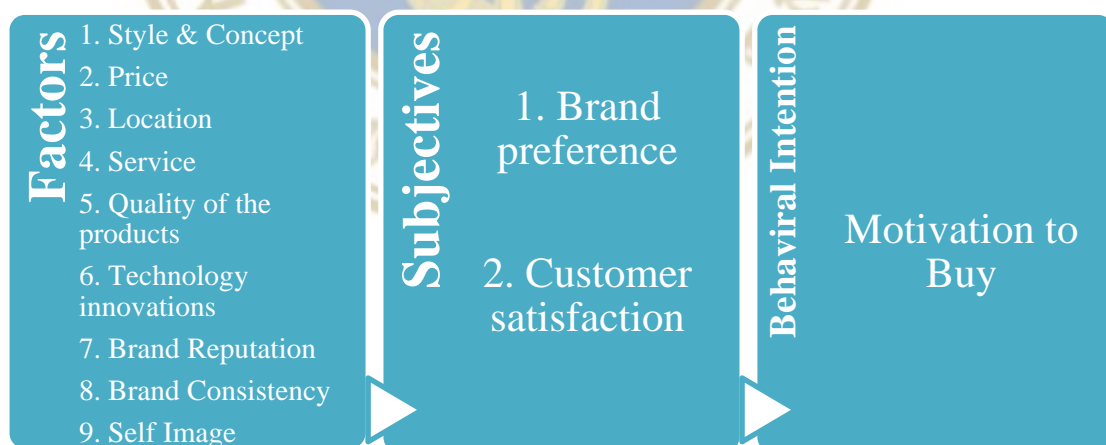


Figure 2.1 Conceptual model

CHAPTER III

METHODOLOGY

This research aims to study the factors that affect the trends of customer behavior that select Luxury Hotels in Bangkok, Thailand also to examine how customers follow up new trends and innovations of the hotel.

Quantitative research will be used for this study where questionnaires will be collected from 100 respondents who used to experienced luxury hotels in Bangkok or respondents who work for luxury hotels.

3.1 Research Design

The research is divided into two major criteria: Brand preference and Customer satisfaction.

Brand preference will identify whether the brand of hotel is influence the trend of customer to select the luxury hotel in Bangkok by focusing on Brand reputation and social media, Brand concept and Brand consistency.

Customer satisfaction will refer to “value pricing” which means the factors that need to offer to customer with high and wide variety of products exceeding customers’ expectation consider in term of Style, Price, Location, Service, Quality of the products and technology innovations.

After received the data, the research will analyze the data by SPSS to show the relations between each variable and know which the important key factors that affect the behavior of Luxury Hotel customers.

3.2 Data Collection Methodology

1. Population: This research population focuses on people who used to experienced luxury hotels in Bangkok. Luxury hotel is defined as upper Five-Stars Hotel and Five-Star Hotel, located in Bangkok. This group of respondents has high potential to provide useful information in the survey.

2. Sampling: The quota sampling is used for research by limit the number of people who had experience with luxury hotel to see the feedback in term of Brand preference and customer satisfaction. Respondent needs to be persons who used to have experience at luxury hotels in Bangkok only.

3. Data Collection: To complete the research, the researcher decided to conduct research by using both primary and secondary data as the source of information. It is because the support by the secondary data with the result of the research conducted will be complementary to give better insights.

Data collection will be conducted with the online questionnaire that is separated into 5 parts: Introduction, Screening questions, General questions, Specific questions, and Demographic questions consequently.

1. Introduction will explain the objective and propose of the survey and estimated time used to completed the questionnaire.

2. Screening questions will select only the target group who work for luxury hotels and people who have experience staying in luxury hotels in Bangkok.

3. General questions will explore target behavior. Both the hotel customer details such as consumption behavior and experienced services that lead to factors and how customer follow up new trends and innovations of the hotel.

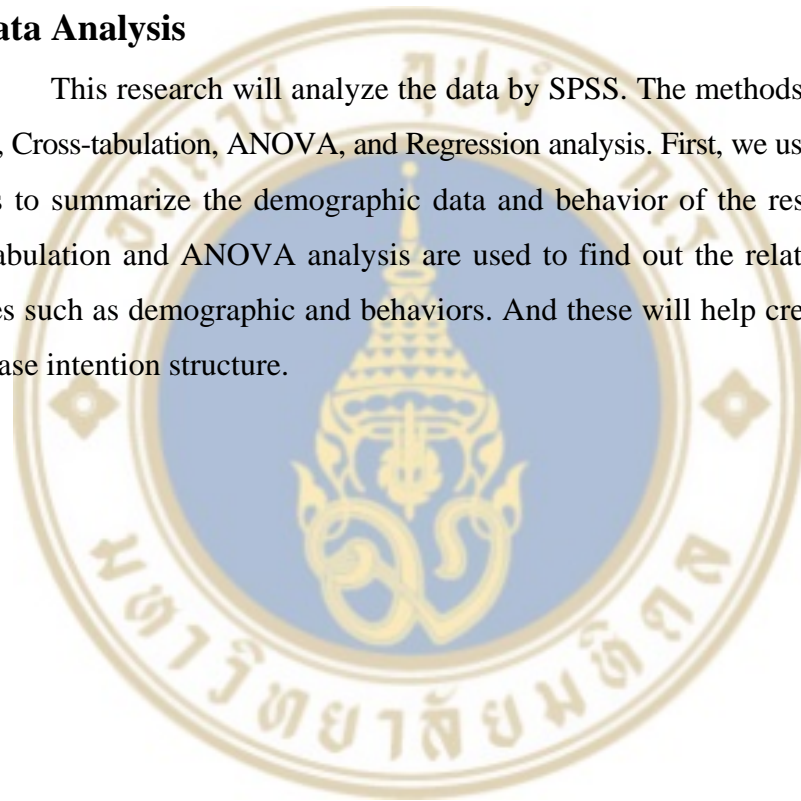
4. Specific questions will explore deeply in the detail of variables according to the framework. This part will ask the respondents the opinion in many aspects to observe the level of agreement or disagreement. The questions will cover many variables: Brand reputation in Bangkok and social media, Brand concept and Brand consistency and “value pricing” in term of Style, Price, Location, Service, Quality of the products and technology innovations.

5. After the data collection, the researcher will analyze the data by SPSS methods to show the relations between each variable and to investigate the key factors that affect trends of customer behavior that select Luxury Hotels.

6. Demographic questions, the close-ended questions that list all the potential answers for being easier to interpret and put into a table for the calculation and analysis. From the questions in this part, the researchers are able to identify the general information or demographic factor of the respondents, including age, education level, occupation, and monthly income for the analysis of the personal. Total respondents will be 100 respondents.

3.3 Data Analysis

This research will analyze the data by SPSS. The methods are Frequencies analysis, Cross-tabulation, ANOVA, and Regression analysis. First, we use the Frequencies analysis to summarize the demographic data and behavior of the respondents. Then, Cross-tabulation and ANOVA analysis are used to find out the relationship between variables such as demographic and behaviors. And these will help create the modified repurchase intention structure.



CHAPTER IV

FINDINGS

Since finishing the data collection process, total respondents are 114 people which consist of 84 males and 30 females. The data analysis follows the Conceptual model in chapter II and use SPSS program to analyze the results.

4.1 The Respondents Demographic

The general descriptions of all respondents are shown as below.

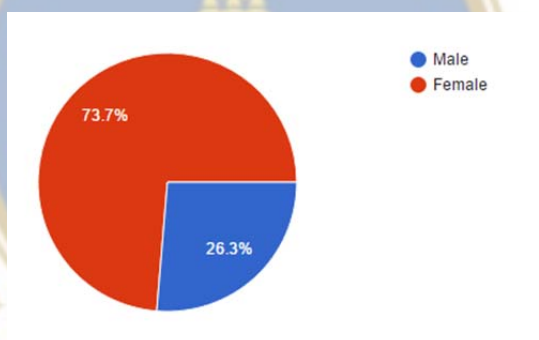


Figure 4.1 Proportion of population by gender

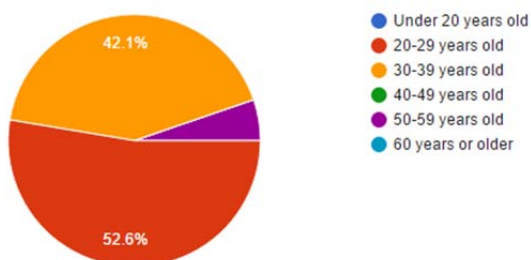


Figure 4.2 Proportion of population by Ages

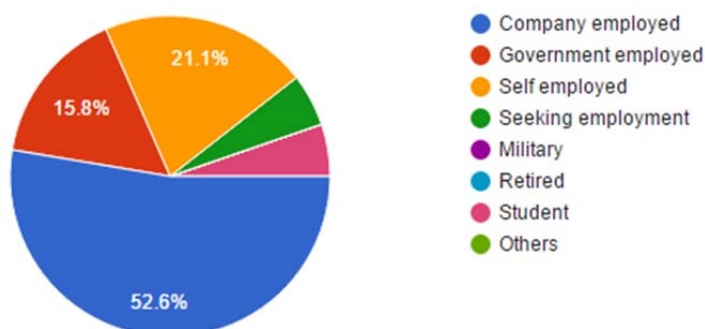


Figure 4.3 Proportion of population by Employment status

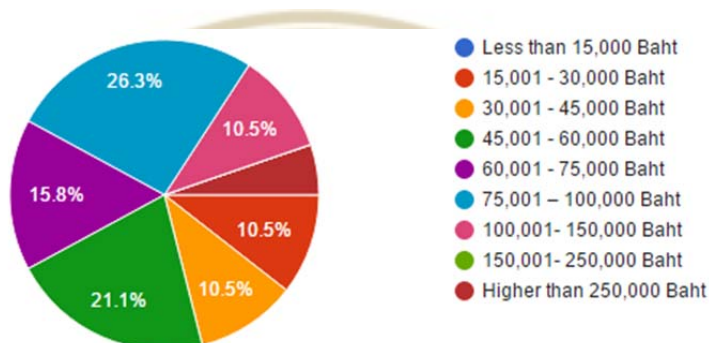


Figure 4.4 Proportion of population by Income per month

To analyse Figure 4.1, Figure 4.2, Figure 4.3, Figure 4.4, Most of respondents are the persons who work for the corporate company with aged between 20 -29 years old. Their monthly personal income is around 75,001 – 100,000 Thai baht which can be categorized as a high income person who have high spending power.

4.2 General Hotel Information of the Respondents

To analyse Figure 4.5 – 4.10 as following, Figure 4.5 showed a high number at 108 persons who used to experience staying in any five-star hotel in Bangkok as a customer and most of them normally use hotel accommodations together with food & beverage services as showing in Figure 4.6 while their length of stay is a short period only 1 – 2 nights related to their propose of stay which are Leisure, Party and Event in Figure 4.10.

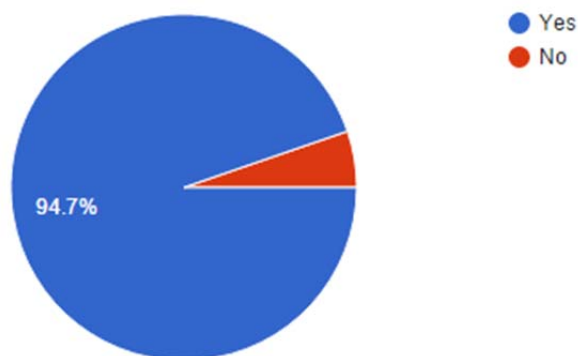


Figure 4.5 Number of the respondents who used to experience staying in any five-star hotel in Bangkok as a customer

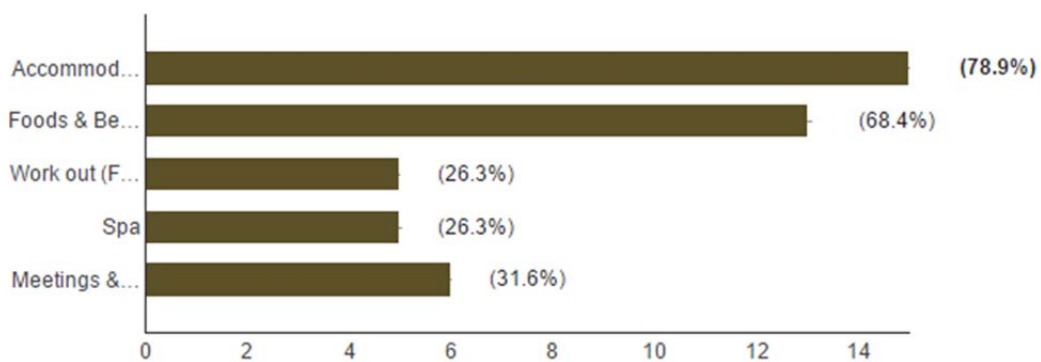


Figure 4.6 Services that respondents normally use in five-star hotel

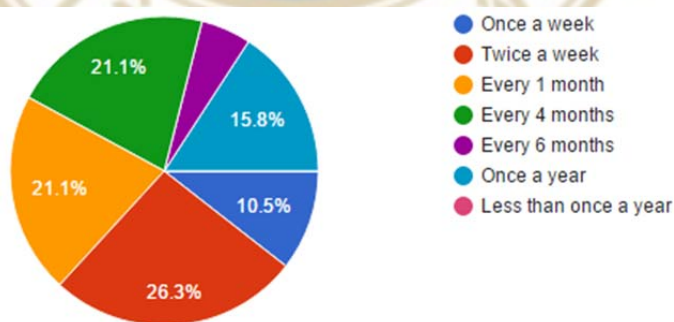


Figure 4.7 Travelling time Facilities

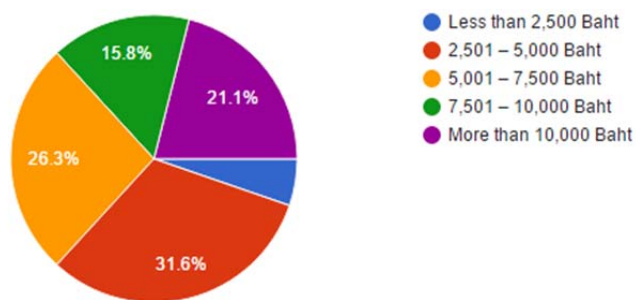


Figure 4.8 Spending on Hotel

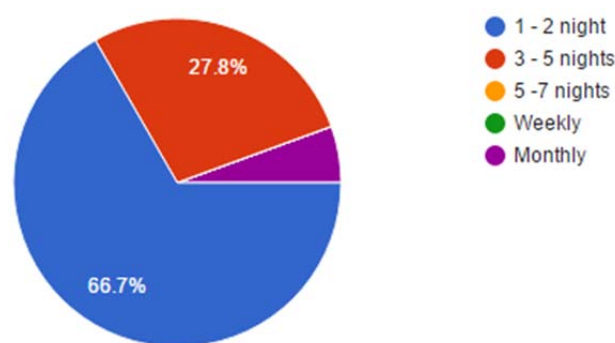


Figure 4.9 Length of stay at the hotel

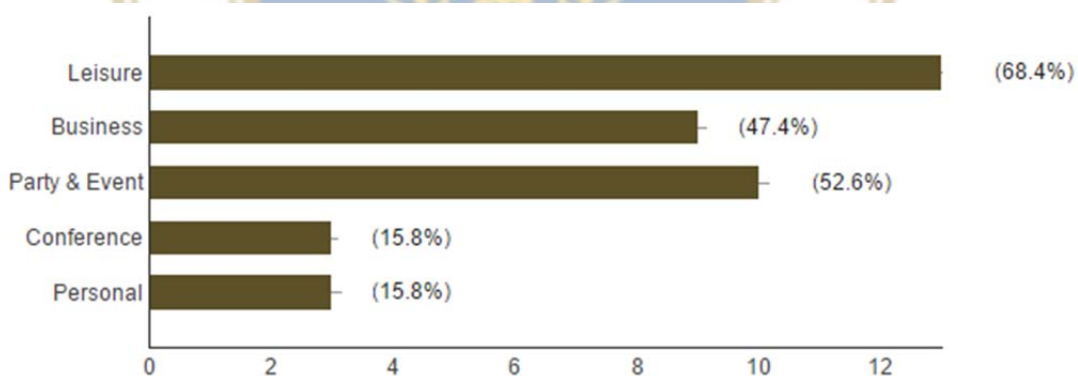


Figure 4.10 Purposes of the stay

4.3 Descriptive Statistic

According to research design is divided into two major criteria: Brand preference and Customer satisfaction. Basic descriptive statistics has been used to summarize the

list of specific questions, measured on a Likert scale (Strongly disagree, disagree, agree and strongly agree).

Table 4.1 Shows each variable in average (mean), standard deviation, and N (number of observations) in the columns

Question	Mean	S.D.	Analysis N
[I prefer to stay at the five-star hotel where it is easy to access the city center in Bangkok.]	2.10	.990	100
[I stay at the five-star hotel that provides a premium mattress.]	1.56	.608	100
[I select at the five-star hotel that provide a premium brand of bathroom amenities.]	2.56	1.104	100
[I select the five-star hotel which provides an iPad as a movable room control.]	2.62	.940	100
[I prefer to stay at a modern five-star hotel.]	1.76	.818	100
[Celebrities or famous people can influence my choice in selecting a luxury hotel]	2.76	.911	100
[I stay at the five-star hotel because of the uniqueness and history of the hotel.]	2.46	.926	100
[I prefer to stay in a five-star hotel that matches my life style.]	1.70	.835	100
[If the five-star hotel appeals to me, I book it regardless of the price.]	2.12	.977	100
[I prefer to book the five-star hotel that offers value for money.]	1.46	.501	100
[I prefer to stay at a five-star hotel that has a good atmosphere]	1.78	.811	100
[I select the five-star hotel that provides personal services to each guest.]	1.78	.543	100
[I select the five-star hotel where hotel staffs are willing to provide excellent service.]	1.74	.597	100
[I select the five-star hotel with web-check in services.]	2.18	.520	100
[I prefer to stay at the good brand reputation hotel.]	1.58	.535	100
[I believed that people will perceived me as high society? when I stay at a luxury hotel.]	2.44	.967	100

By using Basic descriptive statistics, the specific questions with the highest mean have been selected and categorize into Brand preference and Customer satisfaction.

The questions that identified whether the brand of hotel influences the trend of customer to select the luxury hotel in Bangkok are:

1. Celebrities or famous people can influence my choice in selecting a luxury hotel. (mean 2.76)
2. I believed that people will perceived me as “high society” when I stay at a luxury hotel. (mean 2.44)
3. I stay at the five-star hotel because of the uniqueness and history of the hotel. (mean 2.46)

The first and second questions have shown that the respondents are interested in self-image while the third question has showed the interest in brand concept.

For Customer satisfaction analysis, the important variables with average above two are the following:

1. I select the five-star hotel which provides an iPad as a movable room control. (mean 2.62)
2. I select at the five-star hotel that provide a premium brand of bathroom amenities. (mean 2.56)
3. I select the five-star hotel with web-check in services (mean 2.18)
4. If the five-star hotel appeals to me, I book it regardless of the price. (mean 2.12)
5. I prefer to stay at the five-star hotel where it is easy to access the city center in Bangkok. (mean 2.10)

Each variable showed that respondents also focus on technology innovations, quality of the products, price, and location based on the mean (average).

After received the data, the research will analyze the data by Factor Analysis which specific questions tend to be correlate, then summarized summated scale to show the relations between each variable and know which the important key factors that affect the behavior of Luxury Hotel customers.

4.4 Factor Analysis

This part investigate the respondents the opinion in many aspects to observe the level of agreement or disagreement in many variables: Brand reputation in Bangkok and social media, Brand concept and Brand consistency and “value pricing” in term of Style, Price, Location, Service, Quality of the products and technology innovations.

The researcher used factor analysis in SPSS for data reduction and summarization. Factor analysis is used to see whether its construct successfully measures what researcher intends to measure. The results are shown in the form of Total Variance Explained, Scree Plot, and Rotated Component Matrix.

1. Total Variance Explained (Table 4.2)

This paper only focus on the variables that have the Initial Eigenvalue >1 and have the cumulative percentage of variance between 70 - 90%. Also at the end the cumulative should not be drop more than 5%.

2. Scree Plot (Figure 4.11)

It needs to run the data by removing the insignificant variables until it can see a clear separation in the plot. The clear separation is where it can see the graph obviously drop as per showing in Figure 4.11.

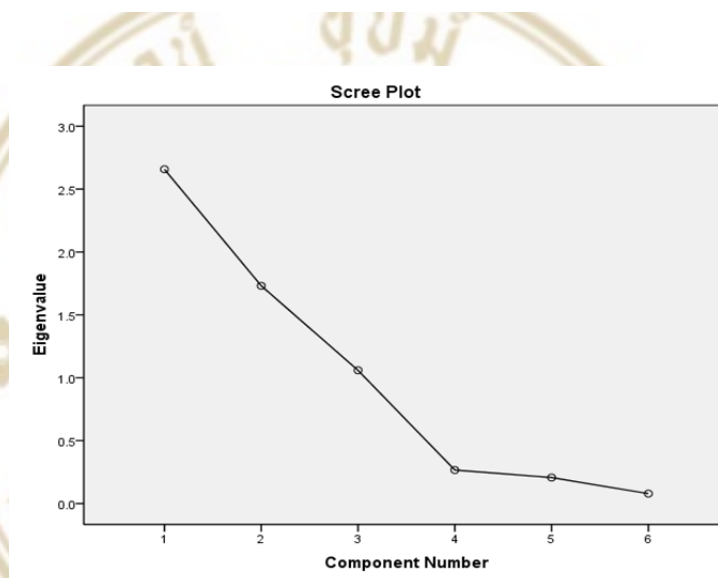
3. Rotated Component Matrix (Table 4.3 and Table 4.4)

Rotate component matrix shows the number of factors by the number of columns. The values in the table represent the factor loading of variable. The value of the variable with factors loading must not less than 0.4, which mean the variable has weak relationship with the factor loading. The closer a value gets ± 1 the stronger the relationship between variable and factor. A variable needs to have matched meaning to see correlation.

Table 4.2 Total Variance Explained

Component	Total Variance Explained								
	Initial Eigenvalues			Extraction Sums of Squared			Rotation Sums of Squared		
	Total	% of		Total	% of		Total	% of	
		Variance	Cumulative %		Variance	Cumulative %		Variance	Cumulative %
1	2.658	44.297	44.297	2.658	44.297	44.297	2.558	42.635	42.635
2	1.731	28.855	73.152	1.731	28.855	73.152	1.807	30.120	72.755
3	1.059	17.656	90.808	1.059	17.656	90.808	1.083	18.053	90.808
4	.266	4.440	95.249						
5	.206	3.442	98.690						
6	.079	1.310	100.000						

Extraction Method: Principal Component Analysis.

**Figure 4.11 Scree Plot****Table 4.3 Rotated Component Matrix**

	Component		
	1	2	3
[I prefer to stay at the five-star hotel where it is easy to access the city center in Bangkok.]			.919
[I stay at the five-star hotel that provides a premium mattress.]	.987		
[I select at the five-star hotel that provide a premium brand of bathroom amenities.]	.927		
[I select the five-star hotel which provides an iPad as a movable room control.]	.926		
[I prefer to stay at a modern five-star hotel.]		.931	
[I stay at the five-star hotel because of the uniqueness and history of the hotel.]		.902	

Total Variance Explained table show that there are three components that have initial eigenvalues of more than one. The percentage of cumulative is 90.80%. Scree plot shows a separation between component number 3 and 4. In Rotated Component Matrix, there is no factor loading, cross loading and mismatch meaning.

Table 4.3 shows the value of all six specific questions. Then identify the main factors, and try to make summated scales for all your main factors from the framework. The specific questions that tend to move correlate are in Table 4.4. There are 3 factors which grouped as Style & Brand Concept, In-Room Facilities and Location that concern a lot for making decision on selecting five-star hotel in Bangkok.

4.5 Relation between Respondents' opinions and demographic

ANOVA analysis between opinion and demographic shows some significant relations as described below.

Gender: Female respondents consider below factors of the five-star hotel in Bangkok more than male.

1. Technology innovation at $p = 0.048$
2. Brand Concept at $p = 0.003$

Age: Aging between 20 -29 years old is the main group that consider below variable more than other group ranges.

1. Quality of Product at $p = 0.009$
2. Technology innovation at $p = 0.024$
3. Brand Concept at $p = 0.002$

Personal Income: The respondents who earn THB 45,000 – THB 60,000 and above consider the follow variables morn than the groups who have income less than THB 45,000

1. Location at $p = 0.007$
2. Quality of Product at $p = 0.001$
3. Technology innovation at $p = 0.005$
4. Brand Concept at $p = 0.012$

CHAPTER V

CONCLUSION

5.1 Conclusions

As mentioned in the beginning, the number of luxury hotels in Bangkok has increased significantly in the past three years. Also the hotel industry is highly competitive and the number of luxury tourist has been increasing. The hotel need to consider the factors that customer will select the hotel for their visit. After collecting the data and analysing it, the research shows some consistent and interesting findings.

The research focuses on the persons who used to have experiences with the five-star hotel in Bangkok. Most of the respondents are aged between 20 – 29 years old with their personal income between THB 45,001 – THB 60,000.

The research found that two main factors, Brand preference and Customer satisfaction, are important for the repurchase intention. The respondents perceive the brand influences from Celebrities or famous people through social media. In the meantime with the brand preference, most of them feel that other people perceived them as “high society”. Especially, the brand concept of hotel has become the most importance factor of the focused respondents.

For Customer satisfaction, the research shows three main factors that influence customer satisfaction which are Location, Quality of Product and Technology innovation. The hotel should locate nearby or easy to access the city center in Bangkok such as connects to BTS Sky train, walking distance to shopping mall. Furthermore, customers also consider the quality of products such as a premium brand of bathroom amenities and quality of mattress in room. And lastly, Technology innovation has highest potential for all group of respondents. They prefer to stay at the hotel where provide modern and convenience services, such as web check-in and in-room master switch with an Ipad.

5.2 Recommendations

In conclusion, the five-star hotels in Bangkok can meet and go beyond customer satisfaction and make the hotel well-known by set up the event quarterly and invite potential customers and celebrities also blogger to participate the event and promote it on social medial, as currently social media such as Facebook, Instagram and social image have an importance influence on the middle age group (20 – 39 years old). Also the hotel should update the promotion, hotel information and newsletter via website, official LINE and Facebook to increasing the interaction between guests and hotel. The hotel should focus on younger, middle to high income or/and females customers, instead of male/older customers who do not consider on the social media and technology innovation much. Moreover, the hotel should emphasize on differentiating their design, decoration and concept that customer perceive its unique value. The hotel staffs must have service mind and in details. The high quality of room facilities also being as an important part of the selection for example premium mattress, brand name bathroom amenities. Lastly, hotel location should be in in the CBD area (Central Business District), nearby shopping area, or areas convenient to travel to.

5.3 Limitations and Suggestions for Future Research

To increase the accuracy of the research, future research should collect a larger sample size and variety of sampling method as well as the respondent group, as this research only focuses on the travelers who used to visit five-stars hotels in Bangkok. However to increase the accuracy and width of opinions, the researchers should focus on hoteliers to explore the hotel point of view as well. Then compare the factors that effect to customer satisfaction from both sides.

REFERENCES

- Digital Luxury Group. (2013). *The World Luxury Index*. Retrieved 11/2013 from: <http://www.ehl.edu>.
- Grönroos, C. (1982). *Strategic Management and Marketing in the Service Sector*. Cambridge: Marketing Science Institute.
- Grönroos, C. (1984). A service quality model and its marketing implications. *European Journal of Marketing*, 18(4): 36-44.
- Huang, S., & Hsu, C. H. C. (2008). Recent tourism and hospitality research in China. *International Journal of Hospitality and Tourism Administration*, 9 (3), 267-287.
- Kapferer, J. N. (1997). Managing luxury brands. *Journal of Brand Management*, 4 (4), 251-260.
- Michman, R., & Mazze, E. (2006). *The affluent customer: Marketing and selling the luxury lifestyle*. Westport, CT: Praeger Publishers.
- Narumon Kasemsuk. (2015). *THE NATION, TAT aims to increase the proportion of luxury visitors to 30% in 2016*, from <http://www.nationmultimedia.com/business/TAT-aims-to-increase-the-proportion-of-luxury-visi-30262237.html>
- Parasuraman, A., Zeithaml, V.A, and Berry, L.L. (1988). Communication and control processes in the delivery of service quality. *The Journal of Marketing*, 52(2), 35-48
- Talbott, B. (2004). Looking ahead: Marketing luxury hotels in the 21st century. In B. Dickinson & A. Vladimir (Eds.), *The Complete 21st Century Travel & Hospitality Marketing Handbook (555-568)*, Upper Saddle River, NJ: Pearson Custom Publishing.
- Timetric. (2013). *The Global luxury hotels market: Key trends and opportunities to 2017*. Retrieved 11/2013, from <http://www.prweb.com/releases/2013/11/prweb11358955.htm>.

Tsang, N. K. F., & Hsu, C. H. C. (2011). Thirty years of research on tourism and hospitality management in China: A review and analysis of journal publications. *International Journal of Hospitality Management*, 30 (4), 886-896.

Yuwa Hedrick-Wong and Desmond Choong. (n.d.). *Master Card 2015 Global Destination Cities Index*.





Appendix A: Sample of Questionnaire

Screen Question

1. Do you have experience staying in any five-star hotel in Bangkok as a customer?
 - Yes
 - No

General Question

1. Which service that you normally use in five-star hotel?
 - Accommodation
 - Foods & Beverages
 - Work out (Fitness & Swimming Pool)
 - Spa
 - Meetings & Events
2. How often do you visit five-stars hotel in Bangkok?
 - Once a week
 - Twice a week
 - Every 1 month
 - Every 4 months
 - Every 6 months
 - One a year
 - Less than once a year
3. How much do you typically spend per day for the hotel accommodation in Bangkok ?
 - Less than 2,500 Baht
 - 2,501 – 5,000 Baht
 - 5,001 – 7,500 Baht
 - 7,501 – 10,000 Baht
 - More than 10,000 Baht
4. Length of stay at the hotel?
 - 3 - 5 nights
 - 5 -7 nights
 - Weekly
 - Monthly

5. What is the propose of your stay?

- Leisure
 Business
 Party & Event
 Conference
 Personal

Specific Question

Please read the statements below and put only one X into to specify your level of agreement or disagreement about your preference for staying in 5-star hotels

5 = Strongly Agree

2 = Disagree

4 = Agree

1 = Strongly Disagree

3 = Neutral

Question	5	4	3	2	1
1. (Style) I prefer to stay in a five-star hotel that matches my life style.					
2. (Style) I prefer to stay at a modern five-star hotel.					
3. (Price) If the five-star hotel appeals to me, I book it regardless of the price.					
4. (Price) I prefer to book the five-star hotel that offers value for money.					
5. (Location) I prefer to stay at the five-star hotel where it is easy to access the city center in Bangkok.					
6. (Location) I prefer to stay at a five-star hotel that has a good atmosphere.					
7. (Service) I select the five-star hotel that provides personal services to each guest.					
8. (Service) I select the five-star hotel where hotel staffs are willing to provide excellent service.					
9. (Brand Concept) I stay at the five-star hotel because of the uniqueness and history of the hotel.					
10. (Quality of product) I stay at the five-star hotel that provides a premium mattress.					
11. (Quality of product) I select at the five-star hotel that provide a premium brand of bathroom amenities.					

Question	5	4	3	2	1
12. (Technology innovation) I select the five-star hotel which provides an iPad as a movable room control.					
13. (Technology innovation) I select the five-star hotel with web-check in services.					
14. (Brand Reputation) I prefer to stay at the good brand reputation hotel.					
15. (Self-image) Celebrities or famous people can influence my choice in selecting a luxury hotel.					
16. (Self-image) I believed that people will perceived me as “high society” when I stay at a luxury hotel.					

Demographic Question

1. What is your gender?
 - Male
 - Female
2. What is your age?
 - Under 20 years old
 - 20-29 years old
 - 30-39 years old
 - 40-49 years old
 - 50-59 years old
 - 60 years or older
3. What is your employment status?
 - Company employed
 - Government employed
 - Self employed
 - Seeking employment
 - Military
 - Retired
 - Student
 - Other

4. What is your monthly personal income?

- Less than 15,000 Baht
- 15,001-30,000 Baht
- 30,001-45,000 Baht
- 45,001-60,000 Baht
- 60,001-75,000 Baht
- 75,001-100,000 Baht
- 100,001-150,000 Baht
- 150,001-250,000 Baht
- Higher than 250,001 Baht

