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Marketing Mixes towards Selection of Non-Scheduled Charter Airline Services in Thailand

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Abstract

This research aimed to study the marketing mixes towards selection of non-scheduled charter airline services in Thailand. The researcher used the questionnaire instrument and distributed the 400 questionnaires to respondents from government office, state enterprises and private organizations. The descriptive statistics were frequency, mean, standard deviation, and the inferential statistics to test hypothesis was One-Way ANOVA. The results of the study found that most of the respondents were government officers/state enterprise employees or 187 respondents (=46.8%) followed by 110 business owners (=27.5%). The results of the analysis of marketing mix towards the selection of non-local charter airlines in the country at a high level ($\bar{x} = 4.08$, S.D. = 0.76). Considering each aspect, it was found that the price aspect was at a high level ($\bar{x} = 4.22$, S.D. = 0.75), followed by products, services and distribution channels at the same high level ($\bar{x} = 4.17$, S.D. = 0.76) first. The hypothesis testing results found that different working organizations had no difference of the marketing mix factors towards the selection of non - scheduled charter airlines in the country at a statistical significance level of 0.05.

Keywords: Marketing Mixes, Charter Airline

Introduction

Aviation Industry is considered one of the largest industries in the world. There is an airline business is a major component of the aviation industry. Air transport business plays a very important role in the country's economy when international business, tourism and logistics are growing. Due to Covid-19 pandemic, the situation, however, national airline business did not provide service intermittently. The national airline business had to follow rules and regulation from the government. Not only passengers but also pilots and aircrews avoided flying due to uncertain situation. Numbers of passengers had been limited with protection based on individual and area such as cabin (Pongpirul, Kaewpoungngam and Chotirosniramit, 2020). However, this becomes the opportunity for the charter airline, which is not working based on the fixed schedule and had to carry high numbers of passengers. Mostly the passengers for the charter airline were familiar such as working in the same organization since they have the same objectives to fly such as group travelling and business. Even though the charter airline is

expensive, the passengers can afford the higher price in order that they may not meet the problems of delay, sitting with the unfamiliar, and enter to the long-process of the other types of airline (Hua, 2019).

Objectives

To study the marketing mix factors (7Ps) of non-scheduled charter airline service

Research questions

What are marketing mixes (7P's) of non-scheduled charter airline service?

Literature Review and Theory

This research included marketing mixes as product, price, place, promotion, people, process and physical evidence (Wirtz and Lovelock, 2021) and the related researches as 1) Charter Airlines: Have They a Future (Buck and Lei, 2004), 2) A Business development proposal to set up business jet and charter flight services company (Sajjad, 2016), 3) The Influence of Airlines' Marketing Mix Elements on Passengers' Purchasing Decision - Making: The Case of FSCs and LCCs (Abdelhady, Fawzy, and Fayed, 2019), 4) The causal relationship model of factors affecting the decision to use the charter service. Thai Lion Air for Chinese passengers (Ruangariyapak, Nilmala and Janjeen, 2020), 5) the global charter airline services market 2021 – 2025 (Research and Markets, 2020), 6) the service marketing mix that affects the decision to choose a low-cost Thai airline in the situation of COVID-19 (Awan et al., 2001) and 7) The airline industry in Thailand (Economic Intelligence Center, 2021).

Methodology

The researcher developed the questionnaire instrument to collect the data. The questionnaire was developed from the service marketing mixes. It consists of 3 parts as 1) personal data 2) marketing mix towards the selection of non-scheduled charter airline in Thailand and 3) other suggestion. The researcher distributed the 400 questionnaires to the respondents. He asked the experience of flying with the charter airlines before distributing the questionnaires to the respondents. Descriptive statistics were frequency, mean, standard deviation, and the inferential statistics to test hypothesis were t-test and One-Way ANOVA. The 5 level Likert's Scale was used to measure (1 as lowest and 5 as highest). The questionnaire has been approved its content validity by IOC more than 0.70 and the Cronbach's Alpha Coefficient Analysis was equal to 0.88.

Results

The results showed 1) personal data 2) marketing mix towards the selection of non-scheduled charter airline in Thailand 3) other suggestion and 4) Hypothesis Testing.

Table 1 Personal Data

Profile Factors		Particulars	F	%
Gender	Male		284	71.00

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	Female	116	29.00
Age	Less than 20 years old	17	4.30
	21-30 years old	70	17.50
	31-40 years old	154	38.50
	41-50 years old	115	28.70
	More than 51 years old	44	11.00
Education Level	Less than Bachelor	45	11.30
	Bachelor Degree	238	59.50
	Master Degree	115	28.70
	Higher than Master Degree	2	0.50
Occupation	Student	3	0.80
	Government Officer/		
	State Enterprise Employee	187	46.80
	Company Employee	100	25.00
	Business Owner	110	27.50
Monthly Income	less than 15,000 Baht	14	3.50
	15,001 – 30,000 Baht	125	31.30
	30,001 – 45,000 Baht	157	39.30
	45,001 – 60,000 Baht	80	20.00
	More than 60,000 Baht	24	6.00
Purposes of Flying	Business	125	31.25
	Travel	110	27.50
	Visit Family and Relatives	40	10.00
	Personal Business	65	16.25
	Education	50	12.50
	Others	10	2.50
Frequency of Flying	Less than 2 times	28	7.00
Domestic Non-	3-4 times	107	26.80
Scheduled Charter	5-6 times	109	27.30
Airline Service	7-8 times	60	15.00
(Per Year)	More than 8 times	96	24.00

The result of personal data showed that most of the respondents were 284 males (=71%), mostly, age around 31-40 years (=38%), mostly education level was bachelor degree (=59%), mostly occupation was government officers/state enterprise employees (=46%), mostly, the monthly income per month was 30,001-45,000 Baht (=39%). Mostly, the purpose of flying with the non-schedule charter airline was business (=31.25%) and then travel (=27.50%). Mostly, the frequency of flying was 5-6 times per year (=27.30%), and then 3-4 times per year (=26.80%).

Marketing Mixes	Mean	S.D.	Meaning
1. Product	4.17	0.76	High
2. Price	4.22	0.75	High
3. Place	4.17	0.77	High
4. Promotion	3.98	0.76	High
5. People	4.08	0.77	High
6. Process	3.94	0.82	High
7. Physical Evidence	4.00	0.73	High
Total	4.08	0.76	High

Table 2 Marketing mix towards the selection of non-scheduled charter airline in Thailand

The result of opinion rating from highest to lowest (5-1) found that the overall marketing mix was at a high level (mean = 4.08). Each marketing mix was at a high level. The top three marketing mixes were price (mean = 4.22), product (mean = 4.17) and place (mean = 4.17). The lowest scores was at process (mean = 3.94).

3. Other Suggestion

The respondents provided the information in writing in this part as:

- 1. The respondents considered price as the important factor when choosing the charter airline. They compare the price with the benefits they gain from the charter airline such as time and place utility, speed, privacy of the group.
- 2. The respondents choose the product and service based on the reputation. They reasoned that they chose the reputable charter airline because of safety, speed and privacy reason. Some customers chose the airlines from the owners and executives.
- 3. The place and channel distribution is also considered as important. respondents informed that they prefer online reservation and buying for the service.

4. Hypothesis Testing Results

The hypothesis results found that:

- 1. Different occupations did not affect different marketing mixes of the charter airline at statistical significance level of 0.05 (F= 1.714 and Sig. = 0.164)
- 2. Different flying objectives did not affect different marketing mixes of the charter airline at statistical significance level of 0.05 (F= 0.449 and Sig. = 0.718)

Discussion and Recommendation

Based on the results of this study, it found the important marketing mixes for choosing charter airlines were price and place. The passengers found that using the charter airline is affordable at an acceptable higher price when they are in need and after they compare with the price of other airlines (Ruangariyapuk, Nilmala, Janjeen, 2019 and Saijad, 2016). Time and place utilities are the priorities which Thai passengers consider when using the charter airlines. The results are correspondent with the related researches (Buck and Lei, 2004). The product, particularly brand, is also another important marketing mix factor. Passengers trust the brand of charter airline since it reflects the safety and service quality in

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general, particularly in Covid-19 pandemic (Awon et al, 2021). The related researches showed that product and price are related since the charter airline passengers compared the product and price when deciding specific destination to fly. Pricing should go together with product and service to order to build the confidence to the passengers (Economic Intelligence Center, 2021 and Research and Market, 2020).

The recommendations of the study are improving the promotion, people and process. Based on the results, the passengers would like to fly with charter airline at an acceptable price. However, they lack information of the product and service. The charter airlines should increase more promotion, particularly online advertisement since the passengers nowadays learn more advertisement from online media because of speed, high attraction and community participation. Passengers consider that flying with the charter airline is affordable and they can fly more if the charter airlines provide promotion such as discounts and member card for loyal customers (Research and Market, 2020 and Economic Intelligence Center, 2021). People and process are recommended to be improved for charter airline in order that the charter airline will be in the mind of passengers. The charter airline should train people and explain the process of using the charter airline since the beginning. The passengers do not have enough people and process information about the airlines.

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The Research of Marketing Strategy of Tourists using the Service of the "OKURA PRESTIGE BANGKOK HOTEL" During Pandemic of Coronavirus 2019

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Abstract

This research aim to studied about marketing strategy in service and standard of Japanese people who are customer attendance for the Okura Prestige Bangkok during the pandemic of coronavirus 2019, the main point of this research is to find the proper standard strategy and service in the hotel industry during the pandemic of coronavirus 2019 for Japanese tourists base in Bangkok Thailand. The research used questionnaire surveys in order to collect data from both Japanese Expat and Overseas travelers who are customers of the Okura Prestige Bangkok. The examination shows the result of the Japanese people both Expat and Overseas tourists based on customers of the Okura Prestige Bangkok hotel, and mostly customers will be concerned more about hotel hygiene standards which will be the main factors for travelers to choose during the pandemic of the coronavirus 2019. The quality of the hotel which is a 5 stars hotel located in Bangkok Thailand. The service standard of the 5 stars hotel will gain during the pandemic of the coronavirus 2019 to make sure that every customer of the hotel will be safe from the virus not only for the factors based on hygiene but also qualities of the services of the hotel.

KeyWords: Marketing Strategy, Behavior, 5 stars hotel, Covid-19