

***Customer Behavior & Marketing Mix Factors as they Relate to the Selection of Thai Massage Providers***

Kitiya Thassanabanjong, Kasetsart University, Thailand

Asian Conference on Psychology and Behavioral Sciences 2015  
Official Conference Proceedings

**Abstract**

“Traditional Thai Massage” plays vital role in assisting Thailand to become medical hub of Asia because of its distinguished uniqueness of Thai medical /alternative treatment. Country Competitiveness derives from many factors including Demand Condition, which brings better level of national advantage. Local people give financially support, and are fundamentally important to the business development to innovate faster and continuous evolving over time.

The research focused and investigated whether there is a relationship between knowledge, attitude and behaviors of Thai customers in relation to Thai Massage consumption and selection, however this article will focus on revealing what should be built, enhanced and sustained for the Thai Massage entrepreneurs in order to gain customers’ satisfactions, based on 7P’s elements of marketing mix. A quantitative/exploratory research design was used. Using an evaluation of the literature and an exploratory study, appropriate constructs and instruments were developed and then used interview survey involving approximately 480 Thais.

The result, apart from the customer behaviors of traditional Thai massage revealed, will benefit in addressing effective 7P’s strategy encouraging national demand which then strengthen local business competitiveness, and then contribute to country’s competitiveness to become Medical Hub of Asia.

Keywords: Consumer Behavior, Country Competitiveness, Diamond Model, Traditional Thai Massage

**iafor**

The International Academic Forum  
[www.iafor.org](http://www.iafor.org)

## **Introduction**

According to Thailand Competitiveness Report 2012, the economic statistics from National Economic and Social Development Board or NESDB stated that 40 percent of average national GDP (from year 2007-2011) comes from Manufacturing sector, while 39 percent stemmed from Trade and services sectors. (Royal Thai Government, Subcommittee on Content Development for World Economic Forum on East Asia, 2012) It ensures that service industry bring Thailand's economy forward and enhance country standards of living and prosperity. The Ministry of Public Health estimates that Health/ Medical Tourism revenues are on the rise as Thailand become medical tourism destination, attracting more visitors/ patients, not only from regional tourists but from all over the world. It was demonstrated that in 2012, the direct revenue from medical/ health tourism reach THB 80 billion (USD 2.7 billion), with an annual growth between 5.5 to 7.0% in revenue. Moreover, Thailand also benefits from revenue generated from of persons accompanying patients.

Small businesses are found in every sector of the economy and play a vital role in the momentum of the whole economy. In both developed and developing countries, small businesses are crucial for sustained, dynamic long-term growth and employment growth. From Thailand's National Statistics Office reported that in service industry 98.4 percent of business are small business. Along with increasing attention in medical/health service industry development, the opportunity brought about by globalization and the economic boom, have encouraged the Thai government to support the operation of small businesses in order to add wealth and stability to the Thai economy. There are many programs and policies implemented by government agencies in order to promote and strengthen the SMEs development (ACTETSME, n.d). This insists the importance of this study as most of traditional Thai massage business are small sized.

The Royal Thai government (2012) by the Ministry of Public Health is responsible for the promotion, development and devising a second Strategic Plan (2012-2016) for Thailand's medical tourism continues, to be a growth industry with the considerable strengths and opportunities, position itself to become the medical hub of Asia. Thailand has the most superior advanced treatment providers with ability to deliver world-class quality and extremely affordable treatment, whilst significant improvements in related fields are being created. "Health Promotion" which includes spas and Thai massage is identified as one of the fundamental elements in "Product of Excellence" plan that must be focused in order to deliver more income-earning

opportunities, positive impact of value-added services and knowledge-based products on national health care industry as a whole. However, there are obstacles as Malaysia and Singapore become main competitors and the royal Thai government seems to be ineffective in acknowledge Thais the usefulness of Thai Massage hence possibly causes national demand/market failure.

From the literature, the theoretical framework was developed from a review of the literature. The framework was established based on the four parent disciplines. They are Knowledge and Attitude, Consumer Behavior, Porter's Diamond Model of Country Competitiveness (Demand Condition) and 7P's of Marketing Mix. The research findings often link level of knowledge and attitude which then affects one's purchasing behavior. In this article, the researcher will demonstrate part of those disciplines which are Customers' Behavior and the marketing mix elements for Traditional Thai Massage business. The result, apart from the usefulness of Thai massage revealed, will benefit in addressing effective 7P's strategy encouraging national demand, strengthen local business competitiveness and contribute to country's competitiveness to become Medical Hub of Asia.

As indicate above, the objectives of this article are to:

- identify reasons and to investigate the usage behavior of Traditional Thai massage customers.
- investigate the extent to which any of the marketing mix (seven P's) could be used in Traditional Thai Massage entrepreneurs contribute to the satisfaction and selection of customers.

Therefore, the framework in this article was demonstrated below:

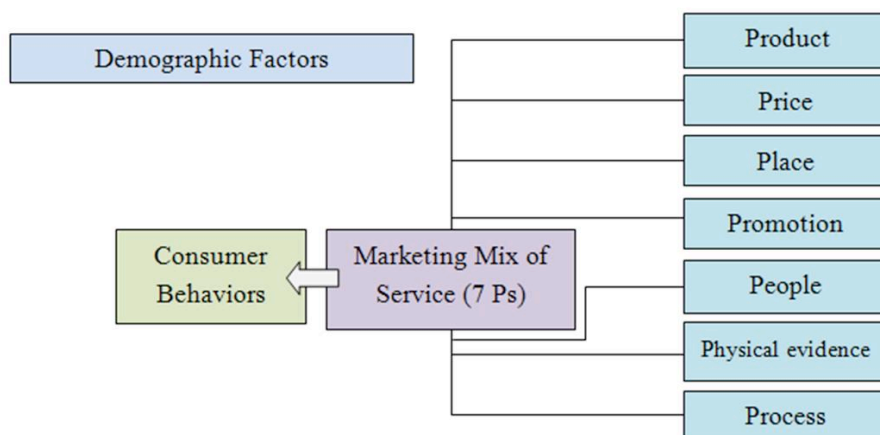


Figure 1 Theoretical Framework for this article

It is crucial for entrepreneurs to gain customers insight which could then enhance their ability to respond to their customer and could develop their offerings effectively. (Arnould, Price and Zinkhan, 2004) Therefore, in order to succeed in Traditional Thai Massage business, the entrepreneurs need to understand the target market's needs, wants and their demand. Consumer behavior is defined as *“individuals or groups acquiring, using and disposing of products, services, ideas, or experiences.”* (Arnould et al., 2004)

Marketing Mix is simply defined as the variety of important ingredients in business marketing management which contribute to response to completion and satisfaction of the target customers' need. With right business construct and the right strategy, the business could survive in business because they can attract and retain customers. Traditional marketing mix consists of 4P's which are Product, Price, Place and Promotion. Not only a product, which is a tangible product or intangible offerings (service) that the entrepreneur must concern, but also on its price, promotional and its place of purchase and delivery.

To address to the nature of service market/ industry, apart from original 4P's of marketing mix, there are 3 more elements; People, Process and Physical evidence that are added up. (Kotler, 2003) There appear to be differences in the business constructs among the Thai Massage Entrepreneurs. There are, therefore, some issues that affect research findings in this area of Service Marketing Mix (7P's).

## **Research Methodology**

Using an evaluation of the literature and an exploratory study, appropriate constructs and instruments were developed. The major instrument was then interview survey, a pilot study was conducted in order to test the survey instrument for larger participants, involving approximately 480 Thais who have and haven't experienced traditional Thai Massage. All returned questionnaires were physically examined, entered into a statistical spreadsheet. It was observed that some returned questionnaires had missing values, which were filled by mean values as it is the most appropriate way for treating missing values of interval and ratio scales. Validity and reliability testing of constructs will be undertaken using statistic software.

Descriptive statistics were used to describe demographic profile which is essential in describing the characteristic of the respondents, their usage behavior and their preferences on each of 7P's element, based on collected data.

## **Research findings and discussions**

Returned questionnaires were collected from the target sample totalled 467, which brings the percentage return rate to 97.29 percent. A demographic profile is essential in describing the characteristics of the respondents. Of those who replied to the survey, most of them or 81.6 percent were female, 66.8 percent are between 26 and 45 years old compared with 1.3 percent that are over 56 years old. 58.9 percent have graduated at university level, which includes those who have finished a bachelor degree, master degree, and higher. Most of respondents or 60.2 percent earned monthly income THB10,000-30,000 (USD337- USD1011).

Of interest to the researcher is the respondents' usage behavior and the marketing factors relate to their selection of Thai Massage providers. Therefore, the researcher focus the consumer behavior analysis on those 427 of the total respondents or 91.40 percent that have experienced Thai massage. Therefore, this insists the importance of health promotion, mentioned in Product excellent plan, among Thais in order to bring successful Medical/Health Industry and increase Country competitiveness.

The study of consumer behavior focus on relationships between what customers think, believe, feel, and do, their attitude which then compatible with purchasing behavior. The research findings showed that reasons behind Traditional Thai massage consumption, of those who have experienced traditional Thai massage, 66.0 percent indicated that they use it for "Healthcare/ Health treatment" and 65.8 percent for "Relaxation". "Foot Massage", "Body Massage" and "Massage with Herbal Balls" were the most popular traditional Thai Massage menus/ services, bring out the percentage of the 48.70, 41.70 and 37.50 respectively.

Of those who replied to the survey and have experienced traditional Thai massage, most of them or 41.9 percent were not sure about frequency of getting traditional Thai Massage service while 32.8 percent stated that they get traditional Thai massage 1-2 times per month. Most of the respondents that have experienced traditional Thai massage or 48.0 percent stated their favorite time in getting service was between 2.01pm to 8.00pm and 57.1 percent stated that they spent 1-2 hours each time. For average money spending each time receiving service, most of the respondents who have experienced traditional Thai massage or 76.6 percent spent BHT100-500 (USD 3.37-16.89). This could be assumed as standard price of traditional Thai massage in area this study surveyed.

As customers' behavior is the stimulus-response process therefore the analysis of individual and environmental stimuli is presented. Reference groups consists of all the groups that have a direct and indirect influence on the individuals' attitude and behaviors. Of those who have experienced the traditional Thai massage, it has been found that 42.6 percent stated "Me, myself" that have significant impact on their purchasing decision, while "Family" and "Friend" 28.80 and 28.60. Along with the findings of the source of information, it was found that 52.2 and 41.7 percent of those who have experienced the traditional Thai massage, gain information and knowledge from "Friends and "Family" respectively. Compared to other commercial source, public source and experiential source, it seems that the traditional Thai massage consumer tends to make their decision rely on their personal source. Fortunately, the findings also found that the current customers of traditional Thai massage are willing to inform others, suggest others to try traditional Thai massage which bring the percentage of 80.6.

It is also important to observe consumer behavior whether they are strongly influenced by their individual demographic factor. Of interest to the researcher is whether there is a relationship between the demographic characteristics and the consumer behaviors including their intention to purchase. A contingency table analysis was developed to examine relationship between demographic characteristics and consumer behavior. One of interesting findings on reason of getting traditional Thai massage service, most of male respondents indicate that "want to try", but most of female seemed to be far less response on this answer. However, there was no difference on the main reason of getting traditional Thai massage, which is for "Healthcare/ Health treatment"

According to the concept of 7P's marketing mix element applied in this study, Process and People were found to be the most influential factor that traditional Thai massage customer considered in their selection decision, at 54.6 percent. Whilst, Price, Place, Product, Promotion and last but not least Physical surroundings, are followed. It simply means that traditional Thai massage customer perceive value of service quality rather than price.

Descriptive statistic were used to describe customers in a database based on collected data. Descriptive Statistics of Process and People factors, it shows that "Employees/ therapists have experience/ Experts have the highest mean score at 4.40, followed by "Quality/Standard of Service Safety and Reliability" at mean score 4.39. In consideration of Product factor which gather what customers value most under

varieties of traditional Thai massage services and products, this study found that “Having safety Product that get approval from acceptable institutions” at mean scores of 4.15.

In consideration of Price element, this study found that the customers value most on “Reasonable price compared to service received” at mean score of 4.08 which implies that they prefer what they perceived it is worth to pay for. For Place element, the customers stated that “Having Safety area and enough brightness” at mean score 4.13.

For Promotion element, this study showed that the customers value most on both “Reputation of Traditional Thai Massage Provider/ Shop” and “ Having attractive campaign such as Buy 1 get 1 free, special discount etc.” at equal mean score of 3.68. Last but not least, for Physical surroundings element, this study showed that the customers value most on “Proper and Modern Interior and Decorations” at mean score of 4.14.

### **Conclusions and Implications**

It is important for the business to know which element(s) of 7's marketing mix are significantly affect their prosperity. Businesses would be able to utilize those most desirable P's to improve their performance level which then ultimately brings customer satisfaction and improvement to the organization as a whole. Even the respondent as a whole was relatively focus on every element of 7P's, which can be seen from high level of mean score ( $3.5 < M < 4.20$ ), however this study still explore some interesting issue that insists the importance of crafting right strategy would attract and retain Traditional Thai Massage customers.

This study found that price is not the first priority that the customers concerns. This study reveals that the most concerned P element are Process and People. This could bring attention to the traditional Thai massage providers. It is interesting that getting price cut is not the key competence in this business because most of them are small business with limited fund. In other words, the customer tend to select the providers that are able to offer the best service quality, in term of service itself and massager/therapist, at reasonable price. Therefore, there are some commitments that the traditional Thai massage provider should keep in mind. They should provide service with a professional, clean and affordable experience. They should emphasize the quality of their staffs/ therapists, along with reliable and safe massage product supplies.

## References

- Amould, E. J., Price, L., & Zinkhan, G. (2004). *Consumer Behavior*. New York: McGraw-Hill/Irwin.
- Bao, Y. (2001). *Effects of parental style and power on adolescent's influence in family consumption decisions* (Doctoral dissertation, Virginia Polytechnic Institute and State University). Retrieved from <http://www.scolar.goole.com/>
- Beller, K., Weiss, S., & Patler, L. (2005). *The consistent consumer: Predicting future behavior through lasting values*. Chicago: Dearborn Trade.
- Belch, G. E., & Belch, M. A. (1993). *Introduction to advertising and promotion: An integrated marketing communications perspective*. Boston: Richard D. Irwin.
- Boone, L. E., & Kurtz, D. L. (1995). *Contemporary marketing*. Fort Worth, TX: The Dryden Press.
- Fishbein, M., & Ajzen, I. (1975) *Belief, attitude, intention and behavior an introduction to theory and research*. Reading, MA: Addison-Wesley Publishing.
- Hill, C. (2003). *International Business: Competing in the global marketplace*. Boston: McGraw-Hill.
- Hofstede, G. (1997). *Cultures and organizations: Software of the mind*. New York: McGraw-Hill.
- Kahn, J. (n.d.). Reporting Statistics in APA Style, *Publication manual of the American Psychological Association* (6<sup>th</sup> ed.). Retrieved June 18, 2014, from <http://my.ilstu.edu/~jkhahn/apastats.html>
- Ko, T. G. (2003). Development of a tourism sustainability assessment procedure: a conceptual approach. *Tourism Management*, 26(3), 431–445, Retrieved June 18, 2014, from <http://www.sciencedirect.com>
- Kotler, P. (2003). *Marketing Management*. New Jersey: Pearson Education.
- Lamb, C. W., Hair, J. F., & McDaniel, C. (1992). *Principles of marketing*. Cincinnati, OH: South-Western Publishing.



McCarthy, E. J., & Perreault, W. D. (1990). *Basic marketing: A managerial approach*. Homewood, IL: Richard D. Irwin.

Department of Industrial Promotion of Thailand, Department of Industrial Promotion. (n.d.b.). *SMEs Promotion Office Speeds On Strengthening Thai SMEs base*. Retrieved February 11, 2011, from [www.smethai.net](http://www.smethai.net)

Department of Industrial Promotion of Thailand, Department of Industrial Promotion. (n.d.b.). *SMEs Is Main Mechanism in Boosting Economy (Thailand)*. Retrieved February 12, 2011, from [www.smethai.net](http://www.smethai.net)

Royal Thai Government, Subcommittee on Content Development for World Economic Forum on East Asia 2012. (2012). *Thailand Competitiveness Report 2012*. Retrieved September 30, 2013, from [www.nesdb.go.th](http://www.nesdb.go.th)

Thailand National Statistics Office. (2011). *Thailand consensus on Service Industry 2011*. Retrieved March 31, 2012, from [http://service.nso.go.th/nso/nsopublish/census/files/det\\_whole.pdf](http://service.nso.go.th/nso/nsopublish/census/files/det_whole.pdf)

Schiffman, L. G., & Kanuk, L. L. (1994). *Consumer behavior*. New Jersey: Prentice-Hall.

Wattanasuwan, K., & Elliott, R. (1997). I Am What I Consume: From Advertising Literacy to Symbolic Consumption. *Proceedings of the European Marketing Academy Conference*, 15(3), 2141-2148, Retrieved February 15, 2012, from <http://marketingthai.blogspot.com/2011/09/theory-of-consumer-behavior.html>

**Contact email:** [ms.kitiya.kate@gmail.com](mailto:ms.kitiya.kate@gmail.com)