

BUSINESS AND LEISURE TOURISTS' PERCEPTION ON SELECTED ATTRIBUTES OF LUXURY HOTELS IN BANGKOK: A COMPARATIVE STUDY

Shveta Kukreja and Adarsh Batra, Ph.D
Graduate School of Business, Assumption University

ABSTRACT

The Travel and Tourism Industry in Bangkok is growing at a steady pace which holds the Hospitality Business in a strong position. In order to understand the customers' purchase behavior in the hospitality industry, specifically Luxury hotels, it is necessary to know the perception of tourists' regarding several attributes of luxury hotels that create value. Different guests see value in a different light depending on their purpose of travel. The main purpose of this study was to determine the difference in the perception of business tourists and leisure tourists toward the selected attributes of luxury hotels in Bangkok. The related attributes were brand name and reputation, physical property, guestroom design and amenities, bathroom fixture and amenities, functional service, interpersonal service, food and beverage related services and quality standards.

The respondents of this study were Business and Leisure tourists who had stayed in selected luxury hotels in Bangkok. A total of 400 valid questionnaires were obtained by sample survey. It was found that there was no significant difference between business and leisure tourists in their perception of interpersonal services and food and beverage related services of luxury hotels in Bangkok. There were significant differences between business and leisure tourists' in their perception of brand name and reputation, physical property, guestroom design and amenities, bathroom fixture and amenities, functional service and quality standards.

INTRODUCTION

For many years Thailand has been a very attractive tourism destination for a wide range of traditional and alternative tourists. Tourism has played a major part in Thailand's economic position and continues to improve despite setbacks such as SARS (Severe Acute Respiratory Syndrome), terrorism and economic downturn. The tourism industry in Thailand has an important role in generating income and growth to the country especially in times of economic recovery. Tourist arrivals have continued to increase each year, with successive marketing campaigns launched from time to time by the Tourism Authority of Thailand, which has made positive contribution in increasing Thailand's profile as a tourist destination.

International tourists visited Thailand before 1960 (Mingsam, Bezic & White, 1998), but they were not significant in terms of numbers until later years. In 1960, there were only 81,340 tourists arrivals,

however, Thailand welcomed more than 10 million tourists in years 2002 and 2003, and looks forward to greeting about 12 million tourists in the year 2005 (Tourism Authority of Thailand, 2005). Meetings, Incentives, Conventions and Exhibitions (MICE) visitors accounted for 15% to 17% of the total tourist arrivals in Thailand in the year 2003.

This article reports on our study of how the overall best practice champions create visible value, as determined by their customers. For the purpose of this study, we define value as customers' perceptions that specific hotel attributes have fulfilled their needs during their hotel stay. In order to understand the customers' purchase behavior in the hospitality industry, specifically the luxury hotels, it is necessary to measure the perception of tourists' regarding several attributes of luxury hotels. The four luxury hotels selected for this study were Amari Airport Hotel (Bangkok International Airport), Dusit Thani Hotel (Silom), J.W. Marriott Hotel (Sukhumvit) and Novotel

Siam Square hotel (Siam Square). The hotels were selected by the researcher at random, keeping in mind the four commercial areas in Bangkok where there is a good balance of business and leisure tourists.

The major purpose behind the research was to study the differences between the business and leisure tourists' perceptions on luxury hotels in Bangkok and to identify what trends will influence the type of travelers to choose their hotels. A better understanding of the tourists' and their opinions about luxury hotels can translate into more focused marketing efforts by the hotels and Tourism Authority of Thailand as well as specific ways to improve property features, and management services.

Empirical findings showed that leisure travelers placed their emphasis on comfort (which is largely a function of the hotel design) while business and convention travelers were more concerned with the functioning - primarily a matter of people and process management (Dube & Renaghan, 1999b). While the business guests were most keen on having a worry-free stay, leisure customers focused foremost on having a comfortable stay. Furthermore, security was one of the aspects leisure tourists desired while the business tourists regarded convenience as a top priority. The researchers noted the difference in light of the fact that delivering those two benefits call for excellence in divergent functions. The respondents in general stated that their top-performing hotel delivered a 'no-worry, hassle-free stay'.

LITERATURE REVIEW

Lockyer (2002) conducted a comparative study to analyze what accommodation managers and business guests believed were the factors influencing accommodation selection. It was found that "cleanliness" of the hotel was most essential for both the business guests as well as accommodation managers in choosing a hotel.

Perry (1996) stated that the quality of the guest room is the most important factor for business travelers in choosing a hotel. Callan and Kyndt (2001) concluded that business tourists give more importance to the functional services as compared to the leisure tourists. For business tourists, efficient reservation, efficient front desk and smooth running of the hotel all reflect the competence of a hotel.

Watkins (2003) argued that both business and leisure tourists are willing to pay more for improved

security in hotels. Taub (1999) believed that business services are necessary at any cost for business travelers, but at the same time, they also look for recreational factors such as exercise equipment, pools and gyms.

Conceptual Framework

In this study, the researchers compared the difference between the perceptions of business and leisure tourists on the selected attributes of luxury hotels. The eight selected attributes included brand name and reputation, physical property (exterior and public space), guestroom design and amenities, bathroom attributes, functional service, interpersonal service, food and beverage related services, and quality standards.

The independent variables were the business and leisure tourists who use the facilities of luxury hotels in Bangkok. The business tourists can be defined as overseas visitors who stay overnight away from home for the purpose of conducting business (Callan & Kyndt, 2001). However, the leisure tourists travel for pleasure and thus are not under any obligations to frequent specific destinations or facilities. They tend to concentrate their tourist activities to specific (vacation) times and are influenced by marketing and publicity (Jafari, 2000). A luxury hotel in this study was any hotel in Bangkok assigned as 4 star and 5 star by the Thai Hotel Association in the year 2004 (DirectRooms, 2004).

The dependent variables were, (1) *Brand name & reputation*: a brand is a symbol that connects the company or its products with the customer in a relationship and represents the entire 'product personality' (Prasad & Dev, 2000). Brand name and reputation is primarily derived from customers' familiarity with the brand, distinctive brand image, and from positive word-of-mouth referral from friend, family, and travel agents. (2) *Physical property* (exterior & public space): The tangible and intangible features that constitute the property's ambience or atmosphere (Dittmer, 2002). (3) *Guestroom design & amenities*: The décor of a lodging establishment that refers to the style and layout of its interior furnishings (Dittmer, 2002). (4) *Bathroom fixture & amenities*: A room that includes a shower area with curved shower rod and multiple showerheads, larger and fluffier towels, velour bathrobe and spa quality amenities (Watkins, 2004). (5) *Functional service*: Products, which are intangible processes, designed

to meet customer needs and the employees who provide these products (Horner & Swarnbrooke, 1996). (6) *Interpersonal service*: A personal service that involves the way in which the server – waitress, bellman, or desk clerk – approaches and deals with the guest (Powers, 1995). (7) *Food & Beverage related services*: Providing fully prepared foods for immediate consumption on or off premises (Dittmer, 2002). (8) *Quality standards*: Service that meets or exceeds customer expectations (Reynolds, 2004).

Method

Sampling survey technique was used for this study where questionnaires were collected from 400 respondents – an acceptable number of sample for a population of 100,000 (Anderson, 1996). Primary date was collected by the researchers through self-administered questionnaires at the front of four selected Luxury hotels situated in different parts of Bangkok City.

Questionnaire

A questionnaire was prepared in English language to collect sample profile and both leisure and business tourists’ perception of selected attributes of luxury hotels in Bangkok. Ordinal scale was used as

the measurement scale in this research. A 5 point Likert-type response scale, with anchors of 1 = most unimportant and 5 = most important was utilized for the perceptions about selected variables in the questionnaire.

Hypotheses

Previous research, together with the objectives of the study, provided the foundation for the development of eight research hypotheses.

Data Reduction

Each category of attributes of luxury hotels was supported with four to five sub questions. To minimize the number of analyses, taking the average of the scores of all the supporting questions tested each hypothesis. A total of eight hypothesis of difference were tested to see the difference in business and leisure tourists’ perceptions towards selected attributes of luxury hotels in Bangkok.

Method of Analysis

Responses from qualified respondents were interpreted using the Statistical Package for Social Sciences (SPSS). The Mann-Whitney (or ranked-

Table 1 Mann Whitney U-Test Statistics Results

	Purpose of travel	n	M	U	Z	Sig.
Brand name and reputation	Business	154	226.01	15013.00	-3.580	.000
	Leisure	246	184.53			
Physical property	Business	154	230.01	44778.500	-4.083	.000
	Leisure	246	182.03			
Guest room design & amenities	Business	154	222.69	15525.00	-3.047	.002
	Leisure	246	186.61			
Bathroom fixture and amenities	Business	154	218.52	16167.000	-2.483	.013
	Leisure	246	189.22			
Functional Service	Business	154	239.67	12909.50	-5.451	.000
	Leisure	246	175.98			
Interpersonal Service	Business	154	207.89	17803.50	-1.020	.308
	Leisure	246	195.87			
Food & Beverage Related services	Business	154	213.55	16932.000	-1.793	.073
	Leisure	246	192.33			
Quality standards	Business	154	229.37	14496.5000	-3.958	.000
	Leisure	246	182.43			

sum) test is used only with two independent samples on ordinal data. It allows for testing group differences when the populations are not normally distributed or when it cannot be assumed that the samples are from populations that are equal in variability.

Results

The sample consisted of 154 business tourists and 246 leisure tourists. A summary of the results is shown in Table 1.

Table 1 shows that there was a difference between business and leisure tourists in their perception of ‘brand name and reputation’, ‘physical property’, ‘guestroom design and amenities’, ‘bathroom fixture and amenities’, ‘functional service’ and ‘quality standards’. However, there was no difference between business and leisure tourists in their perception of ‘food and beverage related services’ and ‘interpersonal service’.

Conclusions

The study found the perceptions of both the business and leisure tourists towards selected attributes of luxury hotels in Bangkok.

In comparison to the leisure tourists, the business tourists gave more importance to variables such as brand name and reputation, physical property (exterior and public space), guest room and amenities, bathroom fixture and amenities, functional service and quality standards than the leisure tourists. The findings showed that business tourists gave more importance to the guestroom design and amenities. Also tourists traveling for business purpose gave more importance to the bathroom fixture and amenities. The researchers also found that functional services were of greater importance to the business tourists as weighted against

the leisure tourists, however, for business tourists, efficient reservations, efficient front desk and efficient/ smooth running of the hotel all reflect the competence of a hotel.

There was no difference in the perception of tourists from the two segments in terms of interpersonal service and food and beverage related services. Both segments considered service friendliness, service attentiveness, service professionalism and personal recognition as equally important attributes of a luxury hotel. Both the business and leisure travelers acknowledged food and beverage outlets as sources of added value.

Limitations and Recommendations for Future Research

The three main limitations of this study were: The study focused on tourists’ perceptions toward four luxury hotels in Bangkok and not all luxury hotels in or outside Bangkok.

The questionnaires were launched outside the premises of the hotel, the researchers had to contact the respondents – the hotel guests arriving in restaurants, shopping malls and book shops nearby the selected hotels.

The three recommendations made for future study are:

Although the research was conducted to see the difference in the perception of business and leisure tourists, an in-depth study should be conducted on other factors such as nationality and tourists’ attitudes.

It would also be beneficial to study the difference in the perception of business and leisure tourists in non – luxury hotels.

A study could also be conducted to measure the difference in the perception of niche markets of business tourists and niche markets of leisure tourists (water sports, adventure sports etc).

Bibliography

- Anderson, G. (1996). **Fundamentals of Educational Research** (1st ed.). London: Falmer Press.
- Callan, R.J., & Kyndt, G. (2001). Business Travelers' Perception of Service Quality: A Prefatory Study of Two European City Centre Hotels. **International Journal of Tourism Research**, 3 (4), pp. 313 – 323.
- Dittmer, P.R. (2002). **Dimensions of the Hospitality Industry** (3rd ed.). New York: John Wiley & Sons.
- Dube, L., & Renaghan, L.M. (1999b). How hotel Attributes Deliver the Promised Benefits – Guests' Perspectives on the Lodging Industry's Functional Best Practices (Part II). **Cornell Hotel and Restaurant Administration Quarterly**, 40 (5), pp. 89 – 95.
- Horner, S., & Swarbrooke, J. (1996). **Marketing Tourism Hospitality and Leisure in Europe**. London: International Thomson Business Press.
- Jafari, J. (2000). **Encyclopedia of Tourism**. Routledge: New York.
- Mingsarn, K., Bezic, D., & White, S. (1998). **Tourism Development in Thailand, Bangkok**. Thailand Development Research Institute Foundation.
- Morrison, A.M. (1996). **Hospitality and Travel Marketing** (2nd ed.). New York: Delmar Publishers.
- Powers, T. (1995). **Introduction to Management in the Hospitality Industry** (5th ed.). New York: John Wiley & Sons.
- Prasad, K., & Dev, C.S. (2000). Managing Hotel Brand Equity: A Customer-centric Framework for Assessing Performance. **Cornell Hotel and Restaurant Administration Quarterly**, 41 (3), pp. 22 – 31.
- Reynolds, J.S. (2004). **Hospitality Services: Food & Lodging**. Tinley Park, IL: Goodheart-Willcox.
- Watkins, E. (2004). Beautiful Bathrooms. **Lodging Hospitality**, 60 (2), pp. 46 – 50.
- DirectRooms 2004, **Hotels in Bangkok** Retrieved 12 July 2004 from <http://www.bangkok-hotels.directrooms-thailand.com/rating-list.htm>